

HB 2735-2
(LC 3549)
3/14/25 (DFY/ps)

Requested by Representative RUIZ

**PROPOSED AMENDMENTS TO
HOUSE BILL 2735**

1 In line 2 of the printed bill, delete “amending ORS 458.690” and insert
2 “creating new provisions; and amending ORS 315.271”.

3 Delete lines 4 through 29 and insert:

4 **“SECTION 1.** ORS 315.271 is amended to read:

5 “315.271. (1) A credit against taxes otherwise due under ORS chapter 316,
6 317 or 318 shall be allowed for donations to a fiduciary organization for
7 distribution to individual development accounts established under ORS
8 458.685. The credit shall equal a percentage of the taxpayer’s donation
9 amount, as determined by the fiduciary organization, but not to exceed 90
10 percent of any donation amount. A credit may be claimed for a donation
11 made not later than April 15 following December 31 of the tax year for which
12 the credit is allowed. To qualify for a credit under this section, donations
13 to a fiduciary organization must be made prior to April 15, 2028.

14 “(2) If a credit allowed under this section is claimed, the amount upon
15 which the credit is based that is allowed or allowable as a deduction from
16 federal taxable income under section 170 of the Internal Revenue Code shall
17 be added to federal taxable income in determining Oregon taxable income.
18 As used in this subsection, the amount upon which a credit is based is the
19 allowed credit divided by the applicable percentage, as determined by the
20 fiduciary organization.

21 “(3) The allowable tax credit that may be used in any one tax year shall

1 not exceed the tax liability of the taxpayer.

2 “(4) Any tax credit otherwise allowable under this section that is not used
3 by the taxpayer in a particular year may be carried forward and offset
4 against the taxpayer’s tax liability for the next succeeding tax year. Any tax
5 credit remaining unused in the next succeeding tax year may be carried
6 forward and used in the second succeeding tax year. Any tax credit not used
7 in the second succeeding tax year may be carried forward and used in the
8 third succeeding tax year, but may not be carried forward for any tax year
9 thereafter.

10 “(5) The total credits allowed to all taxpayers in any tax year under this
11 section and ORS 458.690 may not exceed [*\$7.5 million*] **\$16.5 million**. The
12 total credit allowed to a taxpayer in any tax year under this section and ORS
13 458.690 may not exceed \$500,000.

14 “**SECTION 2.** The amendments to ORS 315.271 by section 1 of this 2025
15 Act apply to tax years beginning on or after January 1, 2025.”.