

Requested by Senator HAYDEN

**PROPOSED MINORITY REPORT AMENDMENTS TO
A-ENGROSSED HOUSE BILL 3409**

On page 1 of the printed A-engrossed bill, line 2, after “care;” delete the rest of the line and line 3 and insert “creating new provisions; amending ORS 316.693; and prescribing an effective date.”.

Delete lines 5 through 23 and delete pages 2 through 7 and insert:

“SECTION 1. ORS 316.693 is amended to read:

“316.693. (1)(a) In addition to the other modifications to federal taxable income contained in this chapter, there shall be subtracted from federal taxable income the amount paid for medical care of an individual and not compensated for by insurance or otherwise, as described in section 213 of the Internal Revenue Code, if the individual meets the age requirement for the tax year under subsection (2) of this section. The amount subtracted under this section may not exceed:

“(A) [~~\$3,600~~] **\$5,600** for a joint return if both spouses meet the age requirement for the tax year under subsection (2) of this section, with no more than [~~\$1,800~~] **\$2,800** attributable to the medical care of either spouse;

“(B) [~~\$1,800~~] **\$2,800** for a joint return if only one spouse meets the age requirement for the tax year under subsection (2) of this section, with no more than [~~\$1,800~~] **\$2,800** attributable to the medical care of that spouse; or

“(C) [~~\$1,800~~] **\$2,800** for each individual filing a return who meets the age requirement for the tax year under subsection (2) of this section, with no more than [~~\$1,800~~] **\$2,800** attributable to the medical care of that individual.

1 “(b) The subtraction under this section may not include amounts that
2 have previously been deducted in the calculation of Oregon taxable income.

3 “(2) The subtraction under this section is available only if the individual
4 has attained the following age before the close of the tax year:

5 “(a) For tax years beginning on or after January 1, 2013, and before Jan-
6 uary 1, 2014, an individual must attain 62 years of age before the close of the
7 tax year.

8 “(b) For tax years beginning on or after January 1, 2014, and before Jan-
9 uary 1, 2016, an individual must attain 63 years of age before the close of the
10 tax year.

11 “(c) For tax years beginning on or after January 1, 2016, and before Jan-
12 uary 1, 2018, an individual must attain 64 years of age before the close of the
13 tax year.

14 “(d) For tax years beginning on or after January 1, 2018, and before Jan-
15 uary 1, 2020, an individual must attain 65 years of age before the close of the
16 tax year.

17 “(e) For tax years beginning on or after January 1, 2020, an individual
18 must attain 66 years of age before the close of the tax year.

19 “(3) Notwithstanding the amount calculated under subsection (1) of this
20 section, the maximum amount allowed for a subtraction under this section
21 may not exceed:

22 “(a) ~~[\$1,400]~~ **\$2,200** per individual, if the federal adjusted gross income of
23 the taxpayer for the tax year is ~~[\$50,000]~~ **\$77,000** or more and less than
24 ~~[\$100,000]~~ **\$154,000** for a taxpayer who files a return jointly, as a head of
25 household or as a surviving spouse, or for all other taxpayers, ~~[\$25,000]~~
26 **\$39,000** or more and less than ~~[\$50,000]~~ **\$77,000**.

27 “(b) ~~[\$1,000]~~ **\$1,600** per individual, if the federal adjusted gross income of
28 the taxpayer for the tax year is ~~[\$100,000]~~ **\$154,000** or more but does not ex-
29 ceed ~~[\$200,000]~~ **\$308,000** for a taxpayer who files a return jointly, as a head
30 of household or as a surviving spouse, or for all other taxpayers, ~~[\$50,000]~~

1 **\$77,000** or more but does not exceed [~~\$100,000~~] **\$154,000**.

2 “(4) A subtraction may not be claimed under this section if the federal
3 adjusted gross income of the taxpayer for the tax year exceeds:

4 “(a) [~~\$200,000~~] **\$308,000** for joint return filers, a surviving spouse or a head
5 of household; or

6 “(b) [~~\$100,000~~] **\$154,000** for an individual who is not a married individual
7 and is not a surviving spouse, or is a married individual who files a separate
8 return.

9 “(5)(a) **The Department of Revenue shall annually adjust the maxi-**
10 **mum subtraction allowable and the qualifying federal adjusted gross**
11 **income levels described under this section according to the cost-of-**
12 **living adjustment for the calendar year. The department shall make**
13 **this adjustment by multiplying the amounts in subsections (1), (3) and**
14 **(4) of this section by the percentage (if any) by which the monthly**
15 **averaged U.S. City Average Consumer Price Index for the 12 consec-**
16 **utive months ending August 31 of the prior calendar year exceeds the**
17 **monthly averaged U.S. City Average Consumer Price Index for the 12**
18 **consecutive months ending August 31, 2024.**

19 “(b) As used in this subsection, ‘U.S. City Average Consumer Price
20 Index’ means the U.S. City Average Consumer Price Index for All Ur-
21 ban Consumers (All Items) as published by the Bureau of Labor Sta-
22 tistics of the United States Department of Labor.

23 “SECTION 2. The amendments to ORS 316.693 by section 1 of this
24 2025 Act apply to tax years beginning on or after January 1, 2025.

25 “SECTION 3. This 2025 Act takes effect on the 91st day after the
26 date on which the 2025 regular session of the Eighty-third Legislative
27 Assembly adjourns sine die.”.