

SENATE AMENDMENTS TO A-ENGROSSED HOUSE BILL 2094

By COMMITTEE ON FINANCE AND REVENUE

June 18

1 On page 1 of the printed A-engrossed bill, line 2, after “ORS” insert “315.271.”.

2 In line 3, delete “and 458.695; repealing ORS 417.900” and insert “, 458.695 and 458.700; repeal-
3 ing ORS 315.271, 417.900 and 458.690”.

4 Delete line 5 and insert:

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

6 “315.271. (1) A credit against taxes otherwise due under ORS chapter 316, 317 or 318 shall be
7 allowed for donations to a fiduciary organization for distribution to individual development accounts
8 established under ORS 458.685. The credit shall equal the lesser of \$75,000 or 75 percent of the do-
9 nation amount. **To qualify for a credit under this section, donations to a fiduciary organization**
10 **must be made prior to January 1, 2012.**

11 “(2) If a credit allowed under this section is claimed, the amount upon which the credit is based
12 that is allowed or allowable as a deduction from federal taxable income under section 170 of the
13 Internal Revenue Code shall be added to federal taxable income in determining Oregon taxable in-
14 come. As used in this subsection, the amount upon which a credit is based is the allowed credit di-
15 vided by 75 percent.

16 “(3) The allowable tax credit that may be used in any one tax year shall not exceed the tax li-
17 ability of the taxpayer.

18 “(4) Any tax credit otherwise allowable under this section that is not used by the taxpayer in
19 a particular year may be carried forward and offset against the taxpayer’s tax liability for the next
20 succeeding tax year. Any tax credit remaining unused in the next succeeding tax year may be car-
21 ried forward and used in the second succeeding tax year. Any tax credit not used in the second
22 succeeding tax year may be carried forward and used in the third succeeding tax year, but may not
23 be carried forward for any tax year thereafter.”.

24 On page 4, after line 45, insert:

25 “**SECTION 9. ORS 315.271 and 458.690 are repealed on January 2, 2016.**

26 “**SECTION 10.** ORS 458.700 is amended to read:

27 “458.700. (1) Subject to Housing and Community Services Department rules, a fiduciary organ-
28 ization has sole authority over, and responsibility for, the administration of individual development
29 accounts. The responsibility of the fiduciary organization extends to all aspects of the account pro-
30 gram, including marketing to participants, soliciting matching contributions, counseling account
31 holders, providing financial literacy education, and conducting required verification and compliances
32 activities. The fiduciary organization may establish program provisions as the organization believes
33 necessary to ensure account holder compliance with the provisions of ORS 458.680 and 458.685.
34 Notwithstanding ORS 458.670 (5) and 458.680 (2), a fiduciary organization may establish income and
35 net worth limitations for account holders that are lower than the income and net worth limitations

1 established by ORS 458.670 (5) and 458.680 (2).

2 “(2) A fiduciary organization may act in partnership with other entities, including businesses,
3 government agencies, nonprofit organizations, community development corporations, community
4 action programs, housing authorities and congregations to assist in the fulfillment of fiduciary or-
5 ganization responsibilities under this section and ORS 458.685[, 458.690] and 458.695.

6 “(3) A fiduciary organization may use a reasonable portion of moneys allocated to the individual
7 development account program for administration, operation and evaluation purposes.

8 “(4) A fiduciary organization selected to administer moneys directed by the state to individual
9 development account purposes or receiving tax deductible contributions shall provide the Housing
10 and Community Services Department with an annual report of the fiduciary organization’s individual
11 development account program activity. The report shall be filed no later than 90 days after the end
12 of the fiscal year of the fiduciary organization. The report shall include, but is not limited to:

13 “(a) The number of individual development accounts administered by the fiduciary organization;

14 “(b) The amount of deposits and matching deposits for each account;

15 “(c) The purpose of each account;

16 “(d) The number of withdrawals made; and

17 “(e) Any other information the department may require for the purpose of making a return on
18 investment analysis.

19 “(5) A fiduciary organization that is the account owner of a college savings network account:

20 “(a) May make a qualified withdrawal only at the direction of the designated beneficiary and
21 only after the college savings network account of the account holder that was established for the
22 designated beneficiary has been reduced to a balance of zero exclusively through qualified with-
23 draws by the designated beneficiary; and

24 “(b) May make nonqualified withdrawals only if the college savings network account of the ac-
25 count holder that was established for the designated beneficiary has a balance of less than \$100 or
26 if the account holder or designated beneficiary has granted permission to make the withdrawal.
27 Moneys received by a fiduciary organization from a nonqualified withdrawal made under this para-
28 graph must be used for individual development account purposes.

29 “(6) The department may make all reasonable and necessary rules to ensure fiduciary organiza-
30 tion compliance with this section and ORS 458.685[, 458.690] and 458.695.

31 “**SECTION 11. The amendments to ORS 458.700 by section 10 of this 2007 Act become**
32 **operative on January 2, 2016.”**

33 On page 5, line 1, delete “9” and insert “12”.
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