

A-Engrossed
House Bill 2217

Ordered by the House May 7
Including House Amendments dated May 7

Ordered printed by the Speaker pursuant to House Rule 12.00A (5). Pre-session filed (at the request of Governor Theodore R. Kulongoski)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

Increases corporate minimum tax that applies to C corporations. Applies to tax years beginning on or after January 1, 2007.

Establishes Corporate Minimum Tax Fund and transfers net revenues from corporate minimum tax to fund. Dedicates moneys in fund to [*Head Start programs, Oregon Opportunity Grant program and workforce development programs*] **Department of Higher Education and Department of Community Colleges and Workforce Development.**

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to corporate minimum taxes; creating new provisions; amending ORS 317.090 and 317.850;
3 prescribing an effective date; and providing for revenue raising that requires approval by a
4 three-fifths majority.

5 **Be It Enacted by the People of the State of Oregon:**

6 **SECTION 1.** ORS 317.090 is amended to read:

7 317.090. (1) Each taxpayer named in ORS 317.056 or 317.070 shall pay annually to the state, for
8 the privilege of carrying on or doing business by it within this state, a minimum tax of
9 [*\$10*] \$_____.

10 (2) The minimum tax [*shall not be*] **is not** apportionable (except in the case of a change of ac-
11 counting periods), [*but shall be*] **and is** payable in full for any part of the year during which a cor-
12 poration is subject to tax.

13 **SECTION 2.** The amendments to ORS 317.090 by section 1 of this 2007 Act apply to tax
14 years beginning on or after January 1, 2007.

15 **SECTION 3.** ORS 317.850 is amended to read:

16 317.850. (1) The net revenue from the tax imposed by this chapter, after deduction of refunds,
17 shall be paid over to the State Treasurer and:

18 (a) **The net revenue attributable to the corporate minimum tax imposed under ORS**
19 **317.090 shall be transferred to the Corporate Minimum Tax Fund established under section**
20 **4 of this 2007 Act; and**

21 (b) **The remaining balance of net revenue shall be** held in the General Fund as miscellaneous
22 receipts available generally to meet any expense or obligation of the State of Oregon lawfully in-
23 curred.

24 (2) A working balance of unreceipted revenue from the tax imposed by this chapter may be re-
25 tained for the payment of refunds, but [*such*] **the** working balance [*shall not*] at the close of any

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1 fiscal year **may not** exceed the sum of \$500,000.

2 **SECTION 4.** (1) **The Corporate Minimum Tax Fund is established, separate and distinct**
3 **from the General Fund. Moneys in the Corporate Minimum Tax Fund shall consist of moneys**
4 **transferred under ORS 317.850 and other moneys credited to the fund by the Legislative As-**
5 **sembly.**

6 (2) **Moneys in the Corporate Minimum Tax Fund are dedicated to:**

7 (a) **The Department of Higher Education; and**

8 (b) **The Department of Community Colleges and Workforce Development.**

9 **SECTION 5.** **This 2007 Act takes effect on the 91st day after the date on which the reg-**
10 **ular session of the Seventy-fourth Legislative Assembly adjourns sine die.**

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