

**A-Engrossed**  
**House Bill 2400**

Ordered by the House April 13  
Including House Amendments dated April 13

Sponsored by Representative DALLUM; Representatives ESQUIVEL, HUNT (Pre-session filed.)

**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.

Creates personal income tax credit for physicians who provide medical care to residents of Oregon Veterans' Home. [*Requires at least 60 percent of physician's total practice to consist of providing care to Oregon Veterans' Home residents in order for physician to qualify for credit.*] **Requires physician claiming credit to submit letter with tax return confirming physician missed no more than five percent of scheduled visits with residents.**

Applies to tax years beginning on or after January 1, 2008.

**A BILL FOR AN ACT**

1  
2 Relating to physician tax incentives.

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

4 **SECTION 1. Section 2 of this 2007 Act is added to and made a part of ORS chapter 315.**

5 **SECTION 2. (1) A resident or nonresident individual physician licensed under ORS chap-**  
6 **ter 677 who is engaged in the practice of medicine qualifies for an annual credit against the**  
7 **taxes that are otherwise due under ORS chapter 316 if the physician provides medical care**  
8 **to residents of an Oregon Veterans' Home.**

9 **(2) The amount of the credit allowed under this section shall be equal to the lesser of:**

10 **(a) \$1,000 for every eight residents to whom the physician provides care at an Oregon**  
11 **Veterans' Home; or**

12 **(b) \$5,000.**

13 **(3) The credit allowed under this section may not exceed the tax liability of the taxpayer**  
14 **for the tax year, and a credit allowed under this section that is unused may not be carried**  
15 **forward to a succeeding tax year.**

16 **(4) A nonresident shall be allowed the credit described in this section in the proportion**  
17 **provided in ORS 316.117. If a change in the status of a taxpayer from resident to nonresident**  
18 **or from nonresident to resident occurs, the credit allowed by this section shall be determined**  
19 **in a manner consistent with ORS 316.117.**

20 **(5) In order to qualify for the tax credit allowed under this section, the physician claim-**  
21 **ing the credit must submit with the physician's tax return a letter from the Oregon Veter-**  
22 **ans' Home at which the physician provided care to residents, confirming that the physician**  
23 **missed no more than five percent of the physician's scheduled visits with residents of the**  
24 **home during the tax year.**

25 **(6) In the case of a shareholder of a corporation or a member of a partnership, only the**  
26 **care provided by the individual shareholder or partner shall be considered, and the full**

**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 amount of the credit shall be allowed to each shareholder or partner who qualifies in an in-  
2 dividual capacity.

3 (7) The Director of Veterans' Affairs shall assist the Department of Revenue in deter-  
4 mining if a taxpayer claiming a credit under this section qualifies for the credit.

5 SECTION 3. Section 2 of this 2007 Act applies to tax years beginning on or after January  
6 1, 2008.

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