

House Bill 2839

Sponsored by Representative ROSENBAUM, Senator AVAKIAN

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 **as introduced**.

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

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; prescribing
3 an effective date; and providing for revenue raising that requires approval by a three-fifths ma-
4 jority.

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 \$10.*] as
9 follows:

10 (a) **If the corporation is an S corporation as defined in ORS 314.730, \$10 in lieu of any**
11 **amount that would otherwise be due under paragraphs (b) to (h) of this subsection.**

12 (b) **If the corporation has Oregon sales for the tax year of less than \$50,000, \$25.**

13 (c) **If the corporation has Oregon sales for the tax year of \$50,000 or more, but less than**
14 **\$250,000, \$100.**

15 (d) **If the corporation has Oregon sales for the tax year of \$250,000 or more, but less than**
16 **\$500,000, \$200.**

17 (e) **If the corporation has Oregon sales for the tax year of \$500,000 or more, but less than**
18 **\$1 million, \$1,000.**

19 (f) **If the corporation has Oregon sales for the tax year of \$1 million or more, but less**
20 **than \$10 million, \$5,000.**

21 (g) **If the corporation has Oregon sales for the tax year of \$10 million or more, but less**
22 **than \$20 million, \$7,500.**

23 (h) **If the corporation has Oregon sales for the tax year of \$20 million or more, \$10,000.**

24 (2) **As used in this section, "Oregon sales" means:**

25 (a) **If the corporation apportions business income under ORS 314.650 to 314.665 for Oregon**
26 **tax purposes, the total sales of the taxpayer in this state during the tax year, as determined**
27 **for purposes of ORS 314.665;**

28 (b) **If the corporation does not apportion business income for Oregon tax purposes, the**
29 **total sales in this state that the taxpayer would have had, as determined for purposes of ORS**
30 **314.665, if the taxpayer were required to apportion business income for Oregon tax purposes;**
31 **or**

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 (c) If the corporation apportions business income using a method different from the
2 method prescribed by ORS 314.650 to 314.665, Oregon sales as defined by the Department of
3 Revenue by rule.

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

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

9 **SECTION 3.** 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.

11