

House Bill 2964

Sponsored by COMMITTEE ON REVENUE

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. For corporations with sales that exceed threshold level, modifies corporate minimum tax to be tax determined as percentage of Oregon sales.

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

A BILL FOR AN ACT

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

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

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

6 317.090. (1) Each taxpayer named in ORS 317.056 or 317.070 shall pay annually to the state, for
7 the privilege of carrying on or doing business by it within this state, a minimum tax [of \$10.] as
8 follows:

9 (a) If the corporation has Oregon sales for the tax year of less than \$_____, \$10.

10 (b) If the corporation has Oregon sales for the tax year of \$_____ or more, but less
11 than \$_____, \$_____.

12 (c) If the corporation has Oregon sales for the tax year of \$_____ or more, but less
13 than \$_____, \$_____.

14 (d) If the corporation has Oregon sales for the tax year of \$_____ or more, but less
15 than \$5 million, \$_____.

16 (e) If the corporation has Oregon sales for the tax year of \$5 million or more, 0.025 per-
17 cent of Oregon sales for the tax year.

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

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

22 (b) If the corporation does not apportion business income for Oregon tax purposes, the
23 total sales in this state that the taxpayer would have had, as determined for purposes of ORS
24 314.665, if the taxpayer were required to apportion business income for Oregon tax purposes;
25 or

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

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

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 **SECTION 2.** The amendments to ORS 317.090 by section 1 of this 2007 Act apply to tax
2 years beginning on or after January 1, 2008.
3 _____