

House Bill 3035

Sponsored by Representative WHISNANT; Representatives BARKER, BEYER, GARRARD, GILLIAM, KRUMMEL, SHIELDS, WITT, Senators CARTER, STARR, WESTLUND (at the request of American Red Cross Chapters of Oregon)

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**.

Creates charitable donation program for donation of tax refunds to American Red Cross. Creates American Red Cross Refund Donation Fund to hold tax refund donations for benefit of American Red Cross. Continuously appropriates moneys to Oregon Department of Administrative Services for quarterly distribution to American Red Cross.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to charitable donations of tax refunds; creating new provisions; amending ORS 305.749 and
3 305.753; appropriating money; and prescribing an effective date.

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

5 **SECTION 1. Section 2 of this 2007 Act is added to and made a part of ORS chapter 316.**

6 **SECTION 2. (1) Personal income taxpayers who file an Oregon income tax return and
7 who will receive a tax refund from the Department of Revenue may designate that a contri-
8 bution of all or a portion of the refund be made to the American Red Cross by marking the
9 appropriate box printed on the return pursuant to subsection (2) of this section.**

10 **(2)(a) Subject to paragraph (b) of this subsection, the Department of Revenue shall print
11 on the face of the Oregon personal income tax return form a space for a taxpayer to desig-
12 nate that a contribution be made to the American Red Cross from the taxpayer's income tax
13 refund. The space for designating the contribution shall provide for checkoff boxes as indi-
14 cated under ORS 305.749.**

15 **(b) If space limitations make listing the American Red Cross on the return form im-
16 practicable without the removal of a checkoff program listing described in ORS 316.490,
17 316.491, 316.493 or 496.380, the American Red Cross may be given an instruction listing as
18 described in ORS 305.727. ORS 305.727 (3) does not apply to the American Red Cross.**

19 **(3) Moneys contributed to the American Red Cross through the checkoff program de-
20 scribed in subsection (1) of this section shall be deposited in the American Red Cross Refund
21 Donation Fund established under section 5 of this 2007 Act.**

22 **SECTION 3. ORS 305.753 is amended to read:**

23 305.753. (1) The State Treasurer may solicit and accept from private and public sources and
24 cause to be credited and paid to any entity gifts, grants and other donations, in money or otherwise,
25 if the entity is currently listed or entitled to be listed on the Oregon tax return for checkoff.

26 (2) In accordance with ORS chapter 183, the Department of Revenue may adopt rules to carry
27 out the purposes of ORS 305.690 to 305.753.

28 (3) Except as provided in ORS 305.749, ORS 305.690 to 305.753 do not apply to the Nongame

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 Wildlife Fund established under ORS 496.385, the Alzheimer’s Disease Research Fund established
 2 under section 3, chapter 902, Oregon Laws 1987, the subaccount created pursuant to section 36 (2),
 3 chapter 1084, Oregon Laws 1999, or its successor, the Oregon Military Emergency Financial As-
 4 sistance Fund established under ORS 396.364, **the American Red Cross Refund Donation Fund**
 5 **established under section 5 of this 2007 Act** or other checkoff program established by statute
 6 other than ORS 305.690 to 305.753.

7 **SECTION 4. Section 2 of this 2007 Act and the amendments to ORS 305.753 by section 3**
 8 **of this 2007 Act apply to biennial years, as defined in ORS 305.690, beginning on or after the**
 9 **effective date of this 2007 Act.**

10 **SECTION 5. (1) The American Red Cross Refund Donation Fund is established in the**
 11 **State Treasury separate and distinct from the General Fund. The American Red Cross Re-**
 12 **fund Donation Fund shall consist of moneys contributed through the charitable refund do-**
 13 **nation program described in section 2 of this 2007 Act and any other moneys appropriated**
 14 **to the fund by the Legislative Assembly.**

15 **(2) Moneys in the fund are continuously appropriated to the Oregon Department of Ad-**
 16 **ministrative Services for the purpose of making quarterly distributions of the entire balance**
 17 **of the fund to the American Red Cross.**

18 **SECTION 6. ORS 316.491 is added to and made a part of ORS chapter 316.**

19 **SECTION 7.** ORS 305.749 is amended to read:

20 305.749. Except as provided in ORS 305.690 to 305.753 and as otherwise specifically provided, the
 21 following are applicable to the various checkoff programs established under ORS [316.491 and]
 22 496.380 and ORS chapter 316:

23 (1) Subject to subsection (4) of this section, the dollar amounts of contributions made by tax-
 24 payer checkoff on Oregon tax returns shall be remitted by the Department of Revenue to the State
 25 Treasurer, who shall deposit them to a suspense account established under ORS 293.445.

26 (2) Of the contributions so deposited, a portion is continuously appropriated for use to reimburse
 27 the General Fund for costs incurred in administering the various checkoff programs. No more than
 28 10 percent of the moneys generated by each checkoff program per fiscal year ending June 30 may
 29 be appropriated under this subsection.

30 (3) The remainder of the contributions shall be credited by the department to each checkoff
 31 program in proportion to the total amounts checked off for the tax year, the proportions to be de-
 32 termined on the basis of tax returns processed as of the June 30 following the tax year. The amounts
 33 so credited to each of the checkoff programs are continuously appropriated to the department for
 34 payment to the checkoff designee, or shall be transferred by the department to the checkoff
 35 designee, as specified under the law governing the particular checkoff program. The department may
 36 adopt rules governing the crediting and payment or transfer of checkoff moneys. In addition to any
 37 other provision, if adopted, the rules shall specify the time that the contributions to a program so
 38 credited are to be paid or transferred by the department.

39 (4)(a) Space for designating the dollar amount of a contribution made to each checkoff program
 40 shall be printed on the Oregon tax return. The space shall provide for checkoff boxes for the pro-
 41 gram in the amounts of \$1, \$5, \$10 or other dollar amount.

42 (b) Overpayments of tax that are insufficient, due to ORS 293.250 or otherwise, to satisfy the
 43 total amount of checkoffs designated on a tax return shall be allocated among the designees on a
 44 pro rata basis as provided under ORS 305.745 (3).

45 (5)(a) If, as of June 30 of the calendar year immediately following the calendar year in which a

1 particular tax year begins, the department determines that the total amount checked off for that tax
2 year for a checkoff program is \$50,000 or less, the department shall notify a person administering
3 the program or other appropriate person.

4 (b) If, as determined by the department under paragraph (a) of this subsection, the total amount
5 checked off for a particular checkoff program is \$50,000 or less for each year in a period of two
6 consecutive tax years, a checkoff line and appropriate box for that program shall not be provided
7 on the Oregon individual tax return for the tax year immediately following the later year of the
8 two-year period nor for any tax year thereafter, except as otherwise provided by law.

9 (c) As used in this subsection, "total amount checked off" means the total amount checked off
10 by taxpayers as reflected by tax returns for the tax year processed as of June 30 before any de-
11 duction for administrative costs as required under subsection (2) of this section has occurred but
12 after any proration under subsection (4) of this section.

13 **SECTION 8. This 2007 Act takes effect on the 91st day after the date on which the reg-**
14 **ular session of the Seventy-fourth Legislative Assembly adjourns sine die.**

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