

House Bill 3205

Sponsored by Representative NELSON; Representatives BRUUN, FLORES, GARRARD, Senator FERRIOLI (at the request of Oregon War Veterans Association)

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 tax credit for taxpayer who is war veteran and who pays or incurs premium costs during tax year for long term care insurance that provides long term care coverage of taxpayer.
Applies to tax years beginning on or after January 1, 2008.

A BILL FOR AN ACT

1
2 Relating to tax credits for veterans.

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) As used in this section, "long term care insurance" has the meaning**
6 **given that term in ORS 743.652.**

7 **(2) A credit against the taxes otherwise due under ORS chapter 316 is allowed to a tax-**
8 **payer who is a war veteran as defined in ORS 174.105 and who pays or incurs premium costs**
9 **during the tax year for long term care insurance that provides long term care coverage of**
10 **the taxpayer.**

11 **(3) The amount of the credit allowed under this section shall equal the lesser of:**

12 **(a) Fifteen percent of the total amount of long term care insurance premiums paid or**
13 **incurred by the taxpayer during the tax year; or**

14 **(b) \$400.**

15 **(4) The credit allowed under this section is in addition to, and not in lieu of, any credit**
16 **that a taxpayer may claim under ORS 315.610.**

17 **(5) The credit allowed under this section may not exceed the tax liability of the taxpayer**
18 **and may not be carried forward to another tax year.**

19 **(6)(a) A nonresident shall be allowed the credit under this section in the proportion pro-**
20 **vided in ORS 316.117.**

21 **(b) If a change in the status of a taxpayer from resident to nonresident or from nonres-**
22 **ident to resident occurs, the credit allowed by this section shall be determined in a manner**
23 **consistent with ORS 316.117.**

24 **(c) If a change in the taxable year of a taxpayer occurs as described in ORS 314.085, or**
25 **if the Department of Revenue terminates the taxpayer's taxable year under ORS 314.440, the**
26 **credit allowed under this section shall be prorated or computed in a manner consistent with**
27 **ORS 314.085.**

28 **SECTION 3. Section 2 of this 2007 Act applies to premium costs paid or incurred in tax**
29 **years beginning on or after January 1, 2008.**

30

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.