

House Bill 3401

Sponsored by Representative RILEY; Representatives BARNHART, BUCKLEY, CANNON, CLEM, GREENLICK, KOTEK, NOLAN, WITT

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**.

Requires corporate income and excise taxpayers that receive certain tax-deferred financing income from foreign corporations for federal tax purposes to add that amount of income back to federal taxable income for Oregon tax purposes.

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

A BILL FOR AN ACT

1
2 Relating to taxation.

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 317.**

5 **SECTION 2. To derive Oregon taxable income, there shall be added to federal taxable**
6 **income a positive amount equal to the difference between the amount of taxable income re-**
7 **cognized by the taxpayer for federal tax purposes and the amount of taxable income that**
8 **would have been recognized by the taxpayer if section 954 of the Internal Revenue Code did**
9 **not apply.**

10 **SECTION 3. Section 2 of this 2007 Act applies to tax years beginning on or after January**
11 **1, 2008.**

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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.