

# House Bill 3506

Sponsored by Representative WITT; Representative BUTLER

## 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**.

Establishes five tiers of corporate minimum tax on corporations that are not S corporations, based on level of Oregon sales.

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

Prohibits Department of Revenue from disclosing information that is attributable to single corporation or group of fewer than 10 corporations.

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

## A BILL FOR AN ACT

1  
2 Relating to corporate taxes; creating new provisions; amending ORS 317.090; and providing for re-  
3 venue 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 is an S corporation as defined in ORS 314.730, \$10 in lieu of any**  
10 **amount that would otherwise be due under paragraphs (b) to (f) of this subsection.**

11 (b) **If the corporation has Oregon sales for the tax year of less than \$100,000, \$100.**

12 (c) **If the corporation has Oregon sales for the tax year of \$100,000 or more, but less than**  
13 **\$500,000, \$500.**

14 (d) **If the corporation has Oregon sales for the tax year of \$500,000 or more, but less than**  
15 **\$3,000,000, \$1,000.**

16 (e) **If the corporation has Oregon sales for the tax year of \$3,000,000 or more, but less**  
17 **than \$10,000,000, \$3,000.**

18 (f) **If the corporation has Oregon sales for the tax year of \$10,000,000 or more, \$7,500.**

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

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

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

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

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

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

6           **SECTION 3.** Section 4 of this 2007 Act is added to and made a part of ORS chapter 314.

7           **SECTION 4.** In addition to any other limitation on the disclosure of taxpayer information,  
8 the Department of Revenue may not disclose any corporate tax information that a person  
9 would be able to attribute to a corporation or a group of corporations that includes fewer  
10 than 10 corporations.

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