

Senate Bill 454

Sponsored by Senator WESTLUND

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**.

Modifies tax credit amount for donations to fiduciary organization for distributions to individual development accounts. Applies to tax years beginning on or after January 1, 2008.

A BILL FOR AN ACT

1 Relating to individual development accounts; creating new provisions; and amending ORS 315.271.

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

3 **SECTION 1.** ORS 315.271 is amended to read:

4 315.271. (1) A credit against taxes otherwise due under ORS chapter 316, 317 or 318 shall be
5 allowed for donations to a fiduciary organization for distribution to individual development accounts
6 established under ORS 458.685. The credit shall equal the lesser of [*\$75,000*] **\$75,001** or 75 percent
7 of the donation amount.
8

9 (2) If a credit allowed under this section is claimed, the amount upon which the credit is based
10 that is allowed or allowable as a deduction from federal taxable income under section 170 of the
11 Internal Revenue Code shall be added to federal taxable income in determining Oregon taxable in-
12 come. As used in this subsection, the amount upon which a credit is based is the allowed credit di-
13 vided by 75 percent.

14 (3) The allowable tax credit that may be used in any one tax year shall not exceed the tax li-
15 ability of the taxpayer.

16 (4) Any tax credit otherwise allowable under this section that is not used by the taxpayer in a
17 particular year may be carried forward and offset against the taxpayer's tax liability for the next
18 succeeding tax year. Any tax credit remaining unused in the next succeeding tax year may be car-
19 ried forward and used in the second succeeding tax year. Any tax credit not used in the second
20 succeeding tax year may be carried forward and used in the third succeeding tax year, but may not
21 be carried forward for any tax year thereafter.

22 **SECTION 2.** The amendments to ORS 315.271 by section 1 of this 2007 Act apply to tax
23 years beginning on or after January 1, 2008.
24

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.