

## HOUSE AMENDMENTS TO SENATE BILL 816

By COMMITTEE ON REVENUE

June 23

1 On page 1 of the printed bill, line 2, delete “amending ORS 307.112” and insert “creating new  
2 provisions; amending ORS 316.699; and prescribing an effective date”.

3 Delete lines 4 through 31 and delete page 2 and insert:

4 “**SECTION 1.** If House Bill 3201 becomes law, ORS 316.699, as amended by section 11, chapter  
5 \_\_\_\_, Oregon Laws 2007 (Enrolled House Bill 3201), is amended to read:

6 “316.699. (1) There shall be subtracted from federal taxable income the amount contributed to  
7 a college savings network account established under ORS 348.841 to 348.873.

8 “(2) Notwithstanding subsection (1) of this section, a subtraction under this section may not  
9 exceed the lesser of:

10 “(a) \$4,000 for the tax year if the taxpayer files a joint return, or \$2,000 for the tax year if the  
11 taxpayer files a return other than a joint return; and

12 “(b) If an amount is carried forward to a succeeding tax year under subsection [(3)] (4) of this  
13 section, the balance in the college savings network account at the close of the tax year for which  
14 the subtraction is being made.

15 “(3)(a) The Department of Revenue shall annually adjust the maximum subtraction allowable  
16 under this section according to the cost-of-living adjustment for the calendar year. The department  
17 shall make this adjustment by multiplying the amount in subsection (2) of this section by the per-  
18 centage (if any) by which the monthly averaged U.S. City Average Consumer Price Index for the 12  
19 consecutive months ending August 31 of the prior calendar year exceeds the monthly averaged U.S.  
20 City Average Consumer Price Index for the 12 consecutive months ending August 31, 2007.

21 “(b) As used in this subsection, ‘U.S. City Average Consumer Price Index’ means the U.S. City  
22 Average Consumer Price Index for All Urban Consumers (All Items) as published by the Bureau of  
23 Labor Statistics of the United States Department of Labor.

24 “(4) Any amounts contributed to a college savings network account that are not subtracted from  
25 federal taxable income because of the monetary limitations imposed by subsection (2) of this section  
26 may be carried forward for four succeeding tax years and subtracted from federal taxable income  
27 in any of those succeeding tax years in an amount that does not exceed the monetary limitations  
28 imposed by subsection (2) of this section.

29 “(5) The amount contributed to a college savings network account may be subtracted from a  
30 preceding tax year if the contribution is made before the taxpayer files a return or before the 15th  
31 day of the fourth month following the closing of the taxpayer’s tax year, whichever is earlier.

32 “**SECTION 2.** If House Bill 3201 becomes law, ORS 316.699, as amended by section 11, chapter  
33 \_\_\_\_, Oregon Laws 2007 (Enrolled House Bill 3201), and section 1 of this 2007 Act, is amended to  
34 read:

35 “316.699. (1) There shall be subtracted from federal taxable income the amount contributed to

1 a college savings network account established under ORS 348.841 to 348.873.

2 “(2) Notwithstanding subsection (1) of this section, a subtraction under this section may not  
3 exceed the lesser of:

4 “[*(a) \$4,000 for the tax year if the taxpayer files a joint return, or \$2,000 for the tax year if the  
5 taxpayer files a return other than a joint return; and*]

6 “(a) **\$2,000 for the tax year or, in the case of a married individual filing separately, \$1,000  
7 for the tax year; and**

8 “(b) If an amount is carried forward to a succeeding tax year under subsection (4) of this sec-  
9 tion, the balance in the college savings network account at the close of the tax year for which the  
10 subtraction is being made.

11 “(3)(a) The Department of Revenue shall annually adjust the maximum subtraction allowable  
12 under this section according to the cost-of-living adjustment for the calendar year. The department  
13 shall make this adjustment by multiplying the amount in subsection (2) of this section by the per-  
14 centage (if any) by which the monthly averaged U.S. City Average Consumer Price Index for the 12  
15 consecutive months ending August 31 of the prior calendar year exceeds the monthly averaged U.S.  
16 City Average Consumer Price Index for the 12 consecutive months ending August 31, 2007.

17 “(b) As used in this subsection, ‘U.S. City Average Consumer Price Index’ means the U.S. City  
18 Average Consumer Price Index for All Urban Consumers (All Items) as published by the Bureau of  
19 Labor Statistics of the United States Department of Labor.

20 “(4) Any amounts contributed to a college savings network account that are not subtracted from  
21 federal taxable income because of the monetary limitations imposed by subsection (2) of this section  
22 may be carried forward for four succeeding tax years and subtracted from federal taxable income  
23 in any of those succeeding tax years in an amount that does not exceed the monetary limitations  
24 imposed by subsection (2) of this section.

25 “(5) The amount contributed to a college savings network account may be subtracted from a  
26 preceding tax year if the contribution is made before the taxpayer files a return or before the 15th  
27 day of the fourth month following the closing of the taxpayer’s tax year, whichever is earlier.

28 “**SECTION 3. The amendments to ORS 316.699 by section 2 of this 2007 Act apply to tax  
29 years beginning on or after January 1, 2012.**

30 “**SECTION 4. This 2007 Act takes effect on the 91st day after the date on which the  
31 regular session of the Seventy-fourth Legislative Assembly adjourns sine die.**”  
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