

Senate Joint Resolution 3

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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**.

Proposes amendment to Oregon Constitution to eliminate surplus "kicker" refund of corporate income and excise taxes that exceed estimate of corporate income and excise tax revenues by two percent or more.

Refers proposed amendment to people for their approval or rejection at next regular general election.

JOINT RESOLUTION

Be It Resolved by the Legislative Assembly of the State of Oregon:

PARAGRAPH 1. The Constitution of the State of Oregon is amended by creating a new section 14a to be added to and made a part of Article IX, and by amending section 14, Article IX, such sections to read:

Sec. 14. (1) As soon as is practicable after adjournment sine die of a regular session of the Legislative Assembly, the Governor shall cause an estimate to be prepared of revenues that will be received by the General Fund for the biennium beginning July 1. The estimated revenues from corporate income and excise taxes shall be separately stated from the estimated revenues from other General Fund sources.

(2) As soon as is practicable after the end of the biennium, the Governor shall cause actual collections of revenues received by the General Fund for that biennium to be determined. The revenues received from corporate income and excise taxes shall be determined separately from the revenues received from other General Fund sources.

[(3) If the revenues received by the General Fund from corporate income and excise taxes during the biennium exceed the amount estimated to be received from corporate income and excise taxes for the biennium, by two percent or more, the total amount of the excess shall be returned to corporate income and excise taxpayers.]

[(4)] **(3)** If the revenues received from General Fund revenue sources, exclusive of *[those described in subsection (3) of this section]* **revenues received from corporate income and excise taxes**, during the biennium exceed the amount estimated to be received from such sources for the biennium, by two percent or more, the total amount of the excess shall be returned to personal income taxpayers.

[(5)] **(4)** The Legislative Assembly may enact laws:

(a) Establishing a tax credit, refund payment or other mechanism by which the excess revenues are returned to taxpayers, and establishing administrative procedures connected therewith.

(b) Allowing the excess revenues to be reduced by administrative costs associated with returning the excess revenues.

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 (c) Permitting a taxpayer's share of the excess revenues not to be returned to the taxpayer if
2 the taxpayer's share is less than a de minimis amount identified by the Legislative Assembly.

3 (d) Permitting a taxpayer's share of excess revenues to be offset by any liability of the taxpayer
4 for which the state is authorized to undertake collection efforts.

5 [(6)(a)] **(5)(a)** Prior to the close of a biennium for which an estimate described in subsection (1)
6 of this section has been made, the Legislative Assembly, by a two-thirds majority vote of all mem-
7 bers elected to each House, may enact legislation declaring an emergency and increasing the
8 amount of the estimate prepared pursuant to subsection (1) of this section.

9 (b) The prohibition against declaring an emergency in an act regulating taxation or exemption
10 in section 1a, Article IX of this Constitution, does not apply to legislation enacted pursuant to this
11 subsection.

12 [(7)] **(6)** This section does not apply[:]

13 [(a) If] **if**, for a biennium or any portion of a biennium, a state tax is not imposed on or measured
14 by the income of individuals.

15 [(b) To revenues derived from any minimum tax imposed on corporations for the privilege of car-
16 rying on or doing business in this state that is imposed as a fixed amount and that is nonapportioned
17 (except for changes of accounting periods).]

18 [(c) To biennia beginning before July 1, 2001.]

19 **SECTION 14a. (1) The amendment to section 14 of this Article by Senate Joint Resolution**
20 **3 (2007) applies to biennia beginning on or after July 1, 2007.**

21 **(2) This section is repealed on January 1, 2013.**

22
23 **PARAGRAPH 2. The amendment proposed by this resolution shall be submitted to the**
24 **people for their approval or rejection at the next regular general election held throughout**
25 **this state.**