

# House Bill 2913

Sponsored by COMMITTEE ON REVENUE

## 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**.

Increases rate of corporate excise tax using income brackets for tax years beginning on or after January 1, 2009, and before January 1, 2013. Adjusts income brackets annually based on U.S. City Average Consumer Price Index.

Takes effect on 91st day following adjournment sine die.

## A BILL FOR AN ACT

Relating to corporate taxation; prescribing an effective date; and providing for revenue raising that requires approval by a three-fifths majority.

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

**SECTION 1.** The Legislative Assembly finds that it is necessary for Oregon to restore corporate taxation to a level that ensures that corporations doing business in Oregon are contributing to the infrastructure of this state in the same way as families that also enjoy the privileges, benefits and security of being in Oregon. The revenue generated from corporate taxation via a tax increase combined with a corporate minimum tax should ensure that corporations doing business in Oregon provide an average of 10 to 13 percent of all Oregon income tax revenue.

**SECTION 2.** Section 3 of this 2009 Act is added to and made a part of ORS chapter 317.

**SECTION 3.** (1) Notwithstanding ORS 317.061, for tax years beginning on or after January 1, 2009, and before January 1, 2013, the amount of the tax due under this chapter shall be determined in accordance with the following table:

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If taxable income is:	The tax is:
Not over \$6,100	5% of taxable income
Over \$6,100 but not over \$15,200	\$305 plus 7% of the excess over \$6,100
Over \$15,200	\$942 plus 9% of the excess

**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.

over \$15,200

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4       **(2) For tax years beginning in each calendar year, the Department of Revenue shall adopt**  
5 **a table that shall apply in lieu of the table contained in subsection (1) of this section, as**  
6 **follows:**

7       **(a) The minimum and maximum dollar amounts for each rate bracket for which a tax is**  
8 **imposed shall be increased by the cost-of-living adjustment for the calendar year.**

9       **(b) The rate applicable to any rate bracket as adjusted under paragraph (a) of this sub-**  
10 **section shall not be changed.**

11       **(c) The dollar amounts setting forth the tax, to the extent necessary to reflect the ad-**  
12 **justments in the rate brackets, shall be adjusted.**

13       **(3) For purposes of subsection (2) of this section, the cost-of-living adjustment for any**  
14 **calendar year is the percentage (if any) by which the monthly averaged U.S. City Average**  
15 **Consumer Price Index for the 12 consecutive months ending August 31 of the prior calendar**  
16 **year exceeds the monthly averaged index for the second quarter of the calendar year 2008.**  
17 **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**  
19 **Bureau of Labor Statistics of the United States Department of Labor.**

20       **(4) If any increase determined under subsection (2)(a) of this section is not a multiple**  
21 **of \$50, the increase shall be rounded to the next lower multiple of \$50.**

22       **SECTION 4.** **This 2009 Act takes effect on the 91st day after the date on which the reg-**  
23 **ular session of the Seventy-fifth Legislative Assembly adjourns sine die.**