

House Bill 3370

Sponsored by Representative J SMITH

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**.

Creates "First Citizen" program, allowing personal income taxpayers to make voluntary contribution to state revenues by paying income tax at rate that is one percent above rate otherwise applicable.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1 Relating to voluntary personal income tax rate increase; and prescribing an effective date.

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

3 **SECTION 1. (1) For tax years beginning on or after January 1, 2009, the Department of**
4 **Revenue shall prepare a form and instructions by which personal income taxpayers may**
5 **make a voluntary contribution for the tax year to the General Fund by means of a one per-**
6 **cent tax rate increase as described in subsection (2) of this section. The form and in-**
7 **structions shall be included with the personal income tax forms and instructions. The form**
8 **shall include a line or checkoff box whereby the taxpayer may indicate that:**

9 (a) **The taxpayer wishes to keep the contribution confidential; or**

10 (b) **The taxpayer wishes to be publicly acknowledged as a "First Citizen" as provided in**
11 **subsection (3) of this section.**

12 (2) **If a taxpayer elects to contribute by means of a voluntary tax rate increase, the ap-**
13 **plicable rate of tax for the tax year shall be the rate otherwise applicable under ORS 316.037**
14 **plus an additional one percent. If the taxpayer's taxable income exceeds \$2,000, the base tax**
15 **amount for the taxpayer's income bracket shall likewise be calculated at a rate that is in-**
16 **creased by one percent.**

17 (3) **The department shall establish by rule procedures for publicly acknowledging tax-**
18 **payers as "First Citizens" for electing to make a voluntary contribution under subsection (1)**
19 **of this section, including listing the taxpayers on the department's website and promoting**
20 **rewards and benefits from Oregon merchants for taxpayers named as "First Citizens."**

21 (4) **The revenues received by the department under subsection (1) of this section shall**
22 **be credited to the General Fund.**

23 **SECTION 2. This 2009 Act takes effect on the 91st day after the date on which the reg-**
24 **ular session of the Seventy-fifth Legislative Assembly adjourns sine die.**

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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.