

REVENUE: Revenue statement issued

FISCAL: Minimal fiscal impact, no statement issued

Action:	Without Recommendation as to Passage and Be Referred to the Committee on Revenue
Vote:	6 - 0 - 2
Yeas:	Beyer, Nathanson, Sheehan, Smith J., Weidner, Bentz
Nays:	0
Exc.:	Lindsay, Read
Prepared By:	Zachary Rothmier, Administrator
Meeting Dates:	3/18

WHAT THE MEASURE DOES: Reduces capital gains tax if certain conditions are met.

ISSUES DISCUSSED:

- Referral to House Revenue Committee

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: If an Oregon taxpayer makes an equity investment in an entity that conducts an active business in Oregon and the taxpayer holds the investment for more than one year, and the business satisfies the active Oregon business requirement throughout the time the taxpayer holds the investment, any gain that the taxpayer recognizes from disposing of the investment will be reduced. House Bill 3296 provides for a 50 percent reduction.