

# House Bill 2544

Ordered printed by the Speaker pursuant to House Rule 12.00A (5). Pre-session filed (at the request of House Interim 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**.

Requires imposition of surtax on personal income and corporate income and excise taxpayers if implementation of one or more initiatives approved by voters requires appropriation that equals or exceeds certain percentage of combined total of General Fund revenues and unobligated net lottery proceeds for biennium.

Takes effect on 91st day following adjournment sine die.

## A BILL FOR AN ACT

1  
2 Relating to surtax for implementation of initiatives; prescribing an effective date; and providing for  
3 revenue raising that requires approval by a three-fifths majority.

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

5 **SECTION 1. Section 2 of this 2011 Act is added to and made a part of ORS chapter 314.**

6 **SECTION 2. (1) As used in this section:**

7 (a) **"Allocated surtax" means the surtax imposed under subsections (2) and (3) of this**  
8 **section, allocated and reduced to a percentage rate as prescribed in subsection (4) of this**  
9 **section.**

10 (b) **"Legislatively approved budget" has the meaning given that term in ORS 291.002.**

11 (c) **"Qualified initiative" means:**

12 (A) **A law or an amendment to the Oregon Constitution that was submitted to voters by**  
13 **initiative petition and approved by voters at an election held on or after the effective date**  
14 **of this 2011 Act; or**

15 (B) **A law described in subparagraph (A) of this paragraph that is further amended by the**  
16 **Legislative Assembly.**

17 (d) **"Tax liability" means the total amount of tax imposed on a taxpayer under ORS**  
18 **chapter 316, 317 or 318 after application of any applicable tax credit. "Tax liability" does not**  
19 **include a minimum tax imposed under ORS 317.090.**

20 (e) **"Unobligated net lottery proceeds" has the meaning given that term in ORS 286A.560.**

21 (2) **A surtax is imposed on the tax liability of taxpayers for tax years beginning on or**  
22 **after January 1 of the two calendar years following a biennium in which the percentage of**  
23 **the legislatively approved budget that was appropriated to implement one or more qualified**  
24 **initiatives equals or exceeds \_\_\_\_\_ percent of the combined total of the General Fund re-**  
25 **venues and unobligated net lottery proceeds for that biennium.**

26 (3) **The surtax shall be an amount equal to the amount appropriated to implement the**  
27 **qualified initiatives in the biennium described in subsection (2) of this section.**

28 (4) **The Department of Revenue shall allocate the surtax as follows:**

29 (a) **Between the first and second calendar years following the biennium described in**

**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 subsection (2) of this section so that the allocated surtax has an approximately equal impact  
2 on taxpayers in tax years beginning in each of the two calendar years;

3 (b) Between personal income taxpayers, corporate excise taxpayers and corporate income  
4 taxpayers in the proportion that tax revenues from each group of taxpayers composed the  
5 total of all personal income taxes, corporate excise taxes (other than minimum taxes) and  
6 corporate income taxes for the biennium described in subsection (2) of this section; and

7 (c) For each group of taxpayers for each calendar year, as a percentage tax rate appli-  
8 cable to the tax liability of the taxpayer so as to recover the amount of the surtax imposed  
9 under subsections (2) and (3) of this section.

10 (5) If the amount recovered under subsection (4) of this section exceeds the amount of  
11 the surtax imposed under subsections (2) and (3) of this section, the excess shall be taken  
12 into account as a credit against any surtax imposed under this section in succeeding years.

13 **SECTION 3.** This 2011 Act takes effect on the 91st day after the date on which the 2011  
14 session of the Seventy-sixth Legislative Assembly adjourns sine die.

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