

Enrolled
House Bill 3058

Sponsored by Representatives HUNT, JENSON, G SMITH, Senator NELSON; Representatives
BOONE, HOYLE, KOMP

CHAPTER

AN ACT

Relating to taxation of cooperative organizations; creating new provisions; amending ORS 317.090; and prescribing an effective date.

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

SECTION 1. ORS 317.090, as amended by section 1, chapter 745, Oregon Laws 2009, is amended to read:

317.090. (1) As used in this section[,]:

(a) "Oregon sales" means:

[(a)] (A) If the corporation apportions business income under ORS 314.650 to 314.665 for Oregon tax purposes, the total sales of the taxpayer in this state during the tax year, as determined for purposes of ORS 314.665;

[(b)] (B) If the corporation does not apportion business income for Oregon tax purposes, the total sales in this state that the taxpayer would have had, as determined for purposes of ORS 314.665, if the taxpayer were required to apportion business income for Oregon tax purposes; or

[(c)] (C) If the corporation apportions business income using a method different from the method prescribed by ORS 314.650 to 314.665, Oregon sales as defined by the Department of Revenue by rule.

(b) If the corporation is an agricultural cooperative that is a cooperative organization described in section 1381 of the Internal Revenue Code, "Oregon sales" does not include sales representing business done with or for members of the agricultural cooperative.

(2) Each corporation or affiliated group of corporations filing a return under ORS 317.710 shall pay annually to the state, for the privilege of carrying on or doing business by it within this state, a minimum tax as follows:

(a) If Oregon sales properly reported on a return are:

- (A) Less than \$500,000, the minimum tax is \$150.
- (B) \$500,000 or more, but less than \$1 million, the minimum tax is \$500.
- (C) \$1 million or more, but less than \$2 million, the minimum tax is \$1,000.
- (D) \$2 million or more, but less than \$3 million, the minimum tax is \$1,500.
- (E) \$3 million or more, but less than \$5 million, the minimum tax is \$2,000.
- (F) \$5 million or more, but less than \$7 million, the minimum tax is \$4,000.
- (G) \$7 million or more, but less than \$10 million, the minimum tax is \$7,500.
- (H) \$10 million or more, but less than \$25 million, the minimum tax is \$15,000.
- (I) \$25 million or more, but less than \$50 million, the minimum tax is \$30,000.
- (J) \$50 million or more, but less than \$75 million, the minimum tax is \$50,000.

- (K) \$75 million or more, but less than \$100 million, the minimum tax is \$75,000.
- (L) \$100 million or more, the minimum tax is \$100,000.
- (b) If a corporation is an S corporation, the minimum tax is \$150.
- (3) The minimum tax is not apportionable (except in the case of a change of accounting periods), and is payable in full for any part of the year during which a corporation is subject to tax.

SECTION 2. The amendments to ORS 317.090 by section 1 of this 2011 Act apply to tax years beginning on or after January 1, 2011.

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

Passed by House June 9, 2011

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 Ramona Kenady Line, Chief Clerk of House

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 Bruce Hanna, Speaker of House

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 Arnie Roblan, Speaker of House

Passed by Senate June 20, 2011

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 Peter Courtney, President of Senate

Received by Governor:

.....M,....., 2011

Approved:

.....M,....., 2011

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 John Kitzhaber, Governor

Filed in Office of Secretary of State:

.....M,....., 2011

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 Kate Brown, Secretary of State