

House Bill 3436

Sponsored by Representative SHEEHAN; Representative DEMBROW

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**.

Allows personal income taxpayers to subtract amounts paid as interest on qualified education loans from taxable income.

Applies to interest paid in tax years beginning on or after January 1, 2011, and before January 1, 2022.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

Relating to income tax subtractions for student loan interest; and prescribing an effective date.

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

SECTION 1. Section 2 of this 2011 Act is added to and made a part of ORS chapter 316.

SECTION 2. (1) In computing Oregon taxable income for purposes of this chapter, there shall be subtracted from federal taxable income an amount equal to the interest paid by a taxpayer during the tax year on any qualified education loan, not to exceed \$20,000.

(2) In computing Oregon taxable income for purposes of this chapter, there shall be added to federal taxable income an amount equal to any deduction allowed the taxpayer for the tax year under section 221 of the Internal Revenue Code.

SECTION 3. Section 2 of this 2011 Act applies to interest paid in tax years beginning on or after January 1, 2011, and before January 1, 2022.

SECTION 4. This 2011 Act takes effect on the 91st day after the date on which the 2011 session of the Seventy-sixth Legislative Assembly adjourns sine die.

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.