

**PROPOSED AMENDMENTS TO
A-ENGROSSED SENATE BILL 889**

1 On page 1 of the printed A-engrossed bill, line 2, delete “and declaring
2 an emergency” and insert “creating new provisions; amending ORS 317.090
3 and 317.635; and prescribing an effective date”.

4 Delete lines 4 through 25 and delete pages 2 through 4 and insert:

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

7 “317.090. (1) As used in this section[,]:

8 **“(a) ‘Oregon sales’ means:**

9 “[*a*] **(A)** If the corporation apportions business income under ORS
10 314.650 to 314.665 for Oregon tax purposes, the total sales of the taxpayer in
11 this state during the tax year, as determined for purposes of ORS 314.665;

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

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

19 **“(b) If the corporation is an agricultural cooperative that is a co-
20 operative organization described in section 1381 of the Internal Reve-
21 nue Code, ‘Oregon sales’ does not include sales representing business
22 done with or for members of the agricultural cooperative.**

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

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

5 “(A) Less than \$500,000, the minimum tax is \$150.

6 “(B) \$500,000 or more, but less than \$1 million, the minimum tax is \$500.

7 “(C) \$1 million or more, but less than \$2 million, the minimum tax is
8 \$1,000.

9 “(D) \$2 million or more, but less than \$3 million, the minimum tax is
10 \$1,500.

11 “(E) \$3 million or more, but less than \$5 million, the minimum tax is
12 \$2,000.

13 “(F) \$5 million or more, but less than \$7 million, the minimum tax is
14 \$4,000.

15 “(G) \$7 million or more, but less than \$10 million, the minimum tax is
16 \$7,500.

17 “(H) \$10 million or more, but less than \$25 million, the minimum tax is
18 \$15,000.

19 “(I) \$25 million or more, but less than \$50 million, the minimum tax is
20 \$30,000.

21 “(J) \$50 million or more, but less than \$75 million, the minimum tax is
22 \$50,000.

23 “(K) \$75 million or more, but less than \$100 million, the minimum tax is
24 \$75,000.

25 “(L) \$100 million or more, the minimum tax is \$100,000.

26 “(b) If a corporation is an S corporation, the minimum tax is \$150.

27 “(3) The minimum tax is not apportionable (except in the case of a change
28 of accounting periods), and is payable in full for any part of the year during
29 which a corporation is subject to tax.

30 **“SECTION 2. The amendments to ORS 317.090 by section 1 of this**

1 **2011 Act apply to tax years beginning on or after January 1, 2011.**

2 **“SECTION 3.** ORS 317.635 is amended to read:

3 **“317.635. (1) Except as provided in subsection (2) of this section and**
4 **ORS 317.283, a domestic international sales corporation, commonly referred**
5 **to as ‘DISC,’ as defined in section 992 of the Internal Revenue Code, shall**
6 **be taxed in the manner provided for other corporations under this chapter**
7 **and without regard to sections 991 to 996 of the Internal Revenue Code.**

8 **“(2) An interest charge DISC that is primarily engaged in agricul-**
9 **tural product sales:**

10 **“(a) Is exempt from the tax imposed under ORS 317.090; and**

11 **“(b) Notwithstanding ORS 317.061, shall be taxed under this chapter**
12 **at a rate of 2.5 percent.**

13 **“SECTION 4. The amendments to ORS 317.635 by section 3 of this**
14 **2011 Act apply to tax years beginning on or after January 1, 2011.**

15 **“SECTION 5. This 2011 Act takes effect on the 91st day after the**
16 **date on which the 2011 regular session of the Seventy-sixth Legislative**
17 **Assembly adjourns sine die.”.**

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