

# PRELIMINARY

77TH OREGON LEGISLATIVE ASSEMBLY  
2013 REGULAR SESSION  
STAFF MEASURE SUMMARY  
SENATE FINANCE AND REVENUE COMMITTEE

MEASURE: SB 310  
CARRIER:

REVENUE:  
FISCAL:

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Action:

Vote:

Yeas:

Nays:

Exc.:

Prepared By: Chris Allanach, Economist

Meeting Dates: 3/25

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**WHAT THE BILL DOES:** Changes the method for determining the numerator in the apportionment percentage for corporate tax calculations. Requires the consideration of Oregon sales for all corporations in a unitary group to be included in the numerator of the apportionment percentage. Applies to tax years beginning on or after January 1, 2014.

## ISSUES DISCUSSED:

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## EFFECT OF COMMITTEE AMENDMENTS:

**BACKGROUND:** Under current law, only the Oregon sales of corporations that have nexus in Oregon are required to be included in the numerator of the apportionment percentage. This approach is referred to as the Joyce method. This bill would move Oregon to the Finnigan method where the unitary group is the basis for determining the apportionment percentage. Of the 44 states that impose a corporate income tax, most use the Joyce method; a recent NCSL report indicates 10 states use the Finnigan approach.

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