

PRELIMINARY

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

MEASURE: SB 231
CARRIER:

REVENUE:
FISCAL:

Action:

Vote:

Yeas:

Nays:

Exc.:

Prepared By: Chris Allanach, Economist

Meeting Dates: 4/8

WHAT THE BILL DOES: Limits the personal income tax rate applied to net capital gains to at most nine percent. Transfers all income and corporate excise taxes imposed on net capital gains to the Rainy Day Fund. Applies to tax years beginning on or after January 1, 2013.

ISSUES DISCUSSED:

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EFFECT OF COMMITTEE AMENDMENTS:

BACKGROUND: Oregon does not generally treat capital gains differently from any other source of income. Net capital gains income is taxed at the regular, statutory tax rates. Measure 67, which increased corporation taxes, included a higher marginal tax rate on corporate taxable income above \$10 million. Beginning with 2013, tax revenue collections from this higher rate are dedicated to the Rainy Day Fund.

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