

**A-Engrossed**  
**House Bill 2478**

Ordered by the House March 14  
Including House Amendments dated March 14

Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at the request of House Interim Committee on Revenue)

**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.

Extends sunset for tax credit for payments to employee and dependent scholarship programs.  
**Modifies definition of "qualified scholarship" for purposes of tax credit.**  
**Applies to tax years beginning on or after January 1, 2014.**  
**Takes effect on 91st day following adjournment sine die.**

**A BILL FOR AN ACT**

1  
2 Relating to tax credits for qualified scholarship payments; creating new provisions; amending ORS  
3 315.237 and section 24, chapter 913, Oregon Laws 2009; and prescribing an effective date.

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

5 **SECTION 1.** Section 24, chapter 913, Oregon Laws 2009, is amended to read:

6 **Sec. 24.** Except as provided in ORS 315.237 (6), a credit may not be claimed under ORS 315.237  
7 for tax years beginning on or after January 1, [2014] **2020**.

8 **SECTION 2.** ORS 315.237 is amended to read:

9 315.237. (1) As used in this section, "qualified scholarship" means a scholarship **that is used**  
10 **to pay expenses of attending a program or institution located in this state and** that meets the  
11 criteria set forth or incorporated into the letter of employee and dependent scholarship program  
12 certification issued by the Oregon Student Access Commission under ORS 348.618.

13 (2) A credit against the taxes otherwise due under ORS chapter 316 is allowed to a resident  
14 employer (or, if the taxpayer is a corporation that is an employer, under ORS chapter 317 or 318)  
15 that has received:

16 (a) Program certification from the commission under ORS 348.618; and

17 (b) Tax credit certification under ORS 348.621 for the calendar year in which the tax year of the  
18 taxpayer begins.

19 (3) The amount of the credit allowed to a taxpayer under this section shall equal 50 percent of  
20 the amount of qualified scholarship funds actually paid to or on behalf of qualified scholarship re-  
21 cipients during the tax year.

22 (4) The credit allowed under this section may not exceed the tax liability of the taxpayer for the  
23 tax year.

24 (5) The credit allowed to a taxpayer for a tax year under this section may not exceed \$50,000.

25 (6) Any tax credit otherwise allowable under this section that is not used by the taxpayer in a  
26 particular year may be carried forward and offset against the taxpayer's tax liability for the next

**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.

1 succeeding tax year. Any credit remaining unused in the next succeeding tax year may be carried  
2 forward and used in the second succeeding tax year, and likewise any credit not used in that second  
3 succeeding tax year may be carried forward and used in the third succeeding tax year, and any  
4 credit not used in that third succeeding tax year may be carried forward and used in the fourth  
5 succeeding tax year, and any credit not used in that fourth succeeding tax year may be carried  
6 forward and used in the fifth succeeding tax year, but may not be carried forward for any tax year  
7 thereafter.

8 (7) In the case of a credit allowed under this section for purposes of ORS chapter 316:

9 (a) A nonresident shall be allowed the credit under this section in the proportion provided in  
10 ORS 316.117.

11 (b) If a change in the status of a taxpayer from resident to nonresident or from nonresident to  
12 resident occurs, the credit allowed by this section shall be determined in a manner consistent with  
13 ORS 316.117.

14 (c) If a change in the taxable year of a taxpayer occurs as described in ORS 314.085, or if the  
15 Department of Revenue terminates the taxpayer's taxable year under ORS 314.440, the credit al-  
16 lowed under this section shall be prorated or computed in a manner consistent with ORS 314.085.

17 (8) The credit shall be claimed on the form and in the time and manner in which the department  
18 shall prescribe. If the taxpayer is required to do so by the department, the taxpayer shall file a copy  
19 of the letter of tax credit certification issued by the commission with the taxpayer's return for the  
20 tax year in which a credit under this section is claimed.

21 **SECTION 3. The amendments to ORS 315.237 by section 2 of this 2013 Act apply to tax**  
22 **years beginning on or after January 1, 2014.**

23 **SECTION 4. This 2013 Act takes effect on the 91st day after the date on which the 2013**  
24 **regular session of the Seventy-seventh Legislative Assembly adjourns sine die.**

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