

House Bill 3350

Sponsored by Representatives GARRETT, HICKS, WILLIAMSON; Representatives BARTON, CONGER, DAVIS, DOHERTY, Senators DINGFELDER, JOHNSON

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**.

Creates income or corporate excise tax credit for contributions to organization that provides funding for Legal Services Program.

Applies to tax years beginning on or after January 1, 2014, and before January 1, 2020.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to a tax credit for contributions that fund provision of legal services to low income indi-
3 viduals; and prescribing an effective date.

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

5 **SECTION 1. (1) As used in this section, "qualifying organization" means an organization**
6 **that is recognized as tax exempt under section 501 (c)(3) of the Internal Revenue Code and**
7 **that is organized for the purpose of providing funding for legal services provided through the**
8 **Legal Services Program established under ORS 9.572.**

9 **(2) A taxpayer shall be allowed a credit against the taxes that are otherwise due under**
10 **ORS chapter 316 or, if the taxpayer is a corporation, under ORS chapter 317 or 318, for**
11 **amounts contributed during the tax year to a qualifying organization.**

12 **(3) The amount of the credit shall equal 50 percent of the amount contributed to the**
13 **qualifying organization, but may not exceed the tax liability of the taxpayer for the tax year.**

14 **(4) The credit allowed under this section is in addition to any charitable contribution**
15 **deduction allowable to the taxpayer.**

16 **(5) In the case of a credit allowed under this section for purposes of ORS chapter 316:**

17 **(a) A nonresident shall be allowed the credit under this section in the proportion provided**
18 **in ORS 316.117.**

19 **(b) If a change in the status of a taxpayer from resident to nonresident or from nonres-**
20 **ident to resident occurs, the credit allowed under this section shall be determined in a**
21 **manner consistent with ORS 316.117.**

22 **(c) A husband and wife who file separate returns for a taxable year may each claim a**
23 **share of the tax credit that would have been allowed on a joint return in proportion to the**
24 **contribution of each.**

25 **(d) If a change in the taxable year of a taxpayer occurs as described in ORS 314.085, or**
26 **if the Department of Revenue terminates the taxpayer's taxable year under ORS 314.440, the**
27 **credit allowed under this section shall be prorated or computed in a manner consistent with**
28 **ORS 314.085.**

29 **SECTION 2. Section 1 of this 2013 Act applies to tax years beginning on or after January**
30 **1, 2014, and before January 1, 2020.**

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 **SECTION 3.** This 2013 Act takes effect on the 91st day after the date on which the 2013
2 regular session of the Seventy-seventh Legislative Assembly adjourns sine die.
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