

# House Bill 3433

Sponsored by 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 **as introduced**.

Requires addition to taxable income for Oregon tax purposes of amounts attributable to like-kind exchanges and excluded from federal taxable income because of operation of federal law. Provides for subtraction, for tax year in which gain from exchange is recognized and included in federal taxable income, of amount initially added.

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

## A BILL FOR AN ACT

1  
2 Relating to tax treatment of like-kind exchanges.

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

4 **SECTION 1. Section 2 of this 2013 Act is added to and made a part of ORS chapter 316.**

5 **SECTION 2. (1) To derive Oregon taxable income, there shall be added to federal taxable**  
6 **income any amount not recognized as gain and excluded, for the tax year, from federal tax-**  
7 **able income under section 1031 of the Internal Revenue Code.**

8 **(2) Amounts added under subsection (1) of this section shall be subtracted from federal**  
9 **taxable income for the tax year in which gain from the exchange is recognized and included**  
10 **in federal taxable income.**

11 **SECTION 3. Section 4 of this 2013 Act is added to and made a part of ORS chapter 317.**

12 **SECTION 4. (1) To derive Oregon taxable income, there shall be added to federal taxable**  
13 **income any amount not recognized as gain and excluded, for the tax year, from federal tax-**  
14 **able income under section 1031 of the Internal Revenue Code.**

15 **(2) Amounts added under subsection (1) of this section shall be subtracted from federal**  
16 **taxable income for the tax year in which gain from the exchange is recognized and included**  
17 **in federal taxable income.**

18 **SECTION 5. Sections 2 and 4 of this 2013 Act apply to tax years beginning on or after**  
19 **January 1, 2014.**

20  

---

  
**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.