

Senate Bill 441

Sponsored by Senator GEORGE (Presession filed.)

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**.

Establishes connection to federal law for provisions related to bonus depreciation and expensing. Allows subtraction from federal taxable income for amounts previously added.

Applies to tax years beginning on or after January 1, 2009, and before January 1, 2011.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to connection to federal tax law; creating new provisions; amending ORS 316.739 and
3 317.301; and prescribing an effective date.

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

5 **SECTION 1.** ORS 316.739 is amended to read:

6 316.739. (1) There shall be added to federal taxable income for Oregon tax purposes the differ-
7 ence between the amount allowable as a deduction under section 108 of the Internal Revenue Code
8 as applicable to the tax year of the taxpayer and the amount allowable as a deduction under section
9 108 of the Internal Revenue Code as amended and in effect on December 31, 2008, as applicable to
10 the tax year of the taxpayer.

11 *[(2) There shall be added to federal taxable income for Oregon tax purposes the difference between*
12 *the amount allowable as a deduction under section 168(k) of the Internal Revenue Code as applicable*
13 *to the tax year of the taxpayer and the amount allowable as a deduction under section 168(k) of the*
14 *Internal Revenue Code as amended and in effect on December 31, 2008, as applicable to the tax year*
15 *of the taxpayer.]*

16 *[(3) There shall be added to federal taxable income for Oregon tax purposes the difference between*
17 *the amount allowable as a deduction under section 179 of the Internal Revenue Code as applicable to*
18 *the tax year of the taxpayer and the amount allowable as a deduction under section 179 of the Internal*
19 *Revenue Code as amended and in effect on December 31, 2008, as applicable to the tax year of the*
20 *taxpayer.]*

21 *[(4)]* **(2)** Amounts added to federal taxable income for Oregon tax purposes under *[subsections (1)*
22 *to (3)]* **subsection (1)** of this section may thereafter be subtracted from federal taxable income for
23 Oregon tax purposes in the tax year for which the amounts would have been allowed as a deduction
24 on the taxpayer's federal income tax return under the Internal Revenue Code as amended and in
25 effect on December 31, 2008, as applicable to the tax year of the taxpayer.

26 **(3) There may be subtracted from federal taxable income for Oregon tax purposes any**
27 **amount allowable as a deduction under section 168(k) of the Internal Revenue Code and**
28 **previously added to federal taxable income, less any amount previously subtracted under this**
29 **section.**

30 **(4) There may be subtracted from federal taxable income for Oregon tax purposes any**

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 **amount allowable as a deduction under section 179 of the Internal Revenue Code and previ-**
 2 **ously added to federal taxable income, less any amount previously subtracted under this**
 3 **section.**

4 **SECTION 2.** ORS 317.301 is amended to read:

5 317.301. (1) There shall be added to federal taxable income for Oregon tax purposes the differ-
 6 ence between the amount allowable as a deduction under section 108 of the Internal Revenue Code
 7 as applicable to the tax year of the taxpayer and the amount allowable as a deduction under section
 8 108 of the Internal Revenue Code as amended and in effect on December 31, 2008, as applicable to
 9 the tax year of the taxpayer.

10 *[(2) There shall be added to federal taxable income for Oregon tax purposes the difference between*
 11 *the amount allowable as a deduction under section 168(k) of the Internal Revenue Code as applicable*
 12 *to the tax year of the taxpayer and the amount allowable as a deduction under section 168(k) of the*
 13 *Internal Revenue Code as amended and in effect on December 31, 2008, as applicable to the tax year*
 14 *of the taxpayer.]*

15 *[(3) There shall be added to federal taxable income for Oregon tax purposes the difference between*
 16 *the amount allowable as a deduction under section 179 of the Internal Revenue Code as applicable to*
 17 *the tax year of the taxpayer and the amount allowable as a deduction under section 179 of the Internal*
 18 *Revenue Code as amended and in effect on December 31, 2008, as applicable to the tax year of the*
 19 *taxpayer.]*

20 *[(4)]* **(2)** Amounts added to federal taxable income for Oregon tax purposes under [*subsections (1)*
 21 *to (3)*] **subsection (1)** of this section may thereafter be subtracted from federal taxable income for
 22 Oregon tax purposes in the tax year for which the amounts would have been allowed as a deduction
 23 on the taxpayer's federal income tax return under the Internal Revenue Code as amended and in
 24 effect on December 31, 2008, as applicable to the tax year of the taxpayer.

25 **(3) There may be subtracted from federal taxable income for Oregon tax purposes any**
 26 **amount allowable as a deduction under section 168(k) of the Internal Revenue Code and**
 27 **previously added to federal taxable income, less any amount previously subtracted under this**
 28 **section.**

29 **(4) There may be subtracted from federal taxable income for Oregon tax purposes any**
 30 **amount allowable as a deduction under section 179 of the Internal Revenue Code and previ-**
 31 **ously added to federal taxable income, less any amount previously subtracted under this**
 32 **section.**

33 **SECTION 3.** The amendments to ORS 316.739 and 317.301 by sections 1 and 2 of this 2013
 34 Act apply to tax years beginning on or after January 1, 2009, and before January 1, 2011.

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