

Senate Bill 594

Sponsored by Senators OLSEN, THOMSEN; Senator KNOPP

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**.

Allows accelerated depreciation of capital assets for income tax purposes.
Applies to tax years beginning on or after January 1, 2013.
Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to accelerated depreciation of capital assets; and prescribing an effective date.

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 314.**

5 **SECTION 2. (1) As used in this section, "capital asset" means an asset defined as a cap-**
6 **ital asset under section 1221 of the Internal Revenue Code, except that it includes property,**
7 **used in the taxpayer's trade or business, of a character that is subject to the allowance for**
8 **depreciation provided in section 167 of the Internal Revenue Code, or real property used in**
9 **the taxpayer's trade or business.**

10 **(2) In each of _____ consecutive tax years, there may be subtracted from federal tax-**
11 **able income an amount equal to _____ of the amount allowed as a deduction for depreci-**
12 **ation of a capital asset on the taxpayer's federal return.**

13 **(3) Amounts subtracted from federal taxable income under subsection (2) of this section**
14 **must thereafter be added to federal taxable income in the tax year in which the amounts are**
15 **otherwise deductible.**

16 **SECTION 3. Section 2 of this 2013 Act applies to tax years beginning on or after January**
17 **1, 2013.**

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

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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.