

**PROPOSED AMENDMENTS TO  
SENATE BILL 325**

1 In line 2 of the printed bill, after “medicine;” delete the rest of the line  
2 and line 3 and insert “creating new provisions; amending ORS 315.613 and  
3 315.616 and section 25, chapter 913, Oregon Laws 2009; and prescribing an  
4 effective date.”.

5 After line 12, insert:

6 **“SECTION 2.** ORS 315.613 is amended to read:

7 “315.613. (1) A resident or nonresident individual certified as eligible un-  
8 der ORS 442.563, licensed under ORS chapter 677, who is engaged in the  
9 practice of medicine, and who [*has a rural practice that amounts to 60 percent*  
10 *of the individual’s practice,*] **is engaged for at least 20 hours per week,**  
11 **averaged over the month, during the tax year in a rural practice,** shall  
12 be allowed an annual credit against taxes otherwise due under this chapter  
13 in the sum of \$5,000 during the time in which the individual retains such  
14 practice and membership if the individual is actively practicing in and is a  
15 member of the medical staff of one of the following hospitals:

16 “(a) A type A hospital designated as such by the Office of Rural Health;

17 “(b) A type B hospital designated as such by the Office of Rural Health  
18 if the hospital is:

19 “(A) Not within the boundaries of a metropolitan statistical area;

20 “(B) Located 30 or more highway miles from the closest hospital within  
21 the major population center in a metropolitan statistical area; or

22 “(C) Located in a county with a population of less than 75,000;

1 “(c) A type C rural hospital, if the Office of Rural Health makes the  
2 findings required by ORS 315.619; or

3 “(d) A rural critical access hospital.

4 “(2) **In order to claim the credit allowed under this section, the in-**  
5 **dividual must:**

6 “(a) **Report adjusted gross income not greater than \$250,000 in the**  
7 **case of a taxpayer filing an individual return or filing as head of**  
8 **household, or \$500,000, in the case of joint return filers or a surviving**  
9 **spouse; and**

10 “(b) **Remain willing during the tax year to serve patients with**  
11 **Medicare coverage and patients receiving medical assistance in at least**  
12 **the same proportion to the individual’s total number of patients as the**  
13 **Medicare and medical assistance populations represent of the total**  
14 **number of persons determined by the Office of Rural Health to be in**  
15 **need of care in the county served by the practice, not to exceed 20**  
16 **percent Medicare patients or 15 percent medical assistance patients.**

17 “[2)] (3) A nonresident **individual** shall be allowed the credit under this  
18 section in the proportion provided in ORS 316.117. If a change in the status  
19 of a taxpayer from resident to nonresident or from nonresident to resident  
20 occurs, the credit allowed by this section shall be determined in a manner  
21 consistent with ORS 316.117.

22 “[3)] (4) For purposes of this section, an ‘individual’s practice’ shall be  
23 determined on the basis of actual time spent in practice each week in hours  
24 or days, whichever is considered by the Office of Rural Health to be more  
25 appropriate. In the case of a shareholder of a corporation or a member of a  
26 partnership, only the time of the individual shareholder or partner shall be  
27 considered and the full amount of the credit shall be allowed to each share-  
28 holder or partner who qualifies in an individual capacity.

29 “[4)] (5) As used in this section:

30 “(a) ‘Type A hospital,’ ‘type B hospital’ and ‘type C hospital’ have the

1 meaning for those terms provided in ORS 442.470.

2 “(b) ‘Rural critical access hospital’ means a facility that meets the crite-  
3 ria set forth in 42 U.S.C. 1395i-4 (c)(2)(B) and that has been designated a  
4 critical access hospital by the Office of Rural Health and the Oregon Health  
5 Authority.

6 **“SECTION 3.** ORS 315.616 is amended to read:

7 “315.616. A resident or nonresident individual who is certified as eligible  
8 under ORS 442.561, 442.562, 442.563 or 442.564, and is licensed as a physician  
9 or podiatric physician and surgeon under ORS chapter 677, licensed as a  
10 physician assistant under ORS chapter 677, licensed as a nurse practitioner  
11 under ORS chapter 678, licensed as a certified registered nurse anesthetist  
12 under ORS chapter 678, licensed as a dentist under ORS chapter 679 or li-  
13 censed as an optometrist under ORS 683.010 to 683.340 is entitled to the tax  
14 credit described in ORS 315.613 even if not a member of the hospital medical  
15 staff if the Office of Rural Health certifies that the individual:

16 “[*(1) Has a rural practice that amounts to 60 percent of the individual’s*  
17 *practice; and*]

18 **“(1) Is engaged for at least 20 hours per week, averaged over the**  
19 **month, during the tax year in a rural practice; and**

20 **“(2)(a) If a physician or a physician assistant, can cause a patient to be**  
21 **admitted to the hospital;**

22 **“(b) If a certified registered nurse anesthetist, is employed by or has a**  
23 **contractual relationship with one of the hospitals described in ORS 315.613**  
24 **(1); or**

25 **“(c) If an optometrist, has consulting privileges with a hospital listed in**  
26 **ORS 315.613 (1). This paragraph does not apply to an optometrist who qual-**  
27 **ifies as a ‘frontier rural practitioner,’ as defined by the Office of Rural**  
28 **Health.**

29 **“SECTION 4. The amendments to ORS 315.613 and 315.616 by**  
30 **sections 2 and 3 of this 2013 Act apply to tax years beginning on or**

1 after January 1, 2014.

2 **“SECTION 5. This 2013 Act takes effect on the 91st day after the**  
3 **date on which the 2013 regular session of the Seventy-seventh Legis-**  
4 **lative Assembly adjourns sine die.”**

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