

**PROPOSED AMENDMENTS TO  
A-ENGROSSED HOUSE BILL 2505**

1 On page 1 of the printed A-engrossed bill, line 2, after “expenditures;”  
2 delete the rest of the line and insert “creating new provisions; amending ORS  
3 315.266 and section 6, chapter 880, Oregon Laws 2007, and section 29, chapter  
4 377, Oregon Laws 2013 (Enrolled House Bill 2492); and repealing section 5,  
5 chapter 880, Oregon Laws 2007, and section 28, chapter 377, Oregon Laws  
6 2013 (Enrolled House Bill 2492).”.

7 Delete lines 4 through 25 and delete page 2 and insert:

8 **“SECTION 1. Section 6, chapter 880, Oregon Laws 2007, is amended to**  
9 **read:**

10 **“Sec. 6. [*The repeal of ORS 315.266 by section 5 of this 2007 Act applies***  
11 ***to tax years beginning on or after January 1, 2014.*] **ORS 315.266 applies to****  
12 ****tax years beginning before January 1, 2020.****

13 **“SECTION 2. Section 5, chapter 880, Oregon Laws 2007, and section**  
14 **28, chapter 377, Oregon Laws 2013 (Enrolled House Bill 2492), are re-**  
15 **pealed.**

16 **“SECTION 3. Section 29, chapter 377, Oregon Laws 2013 (Enrolled House**  
17 **Bill 2492), is amended to read:**

18 **“Sec. 29. (1) Except as provided in subsections (2) and (3) of this section,**  
19 **[*section 28 of this 2013 Act and*] the amendments to statutes by sections 1 to**  
20 **27 [*of this 2013 Act*], **chapter 377, Oregon Laws 2013 (Enrolled House Bill**  
21 **2492), apply to transactions or activities occurring on or after January 1,**  
22 **2013, in tax years beginning on or after January 1, 2013.****

1 “(2) The effective and applicable dates, and the exceptions, special rules  
2 and coordination with the Internal Revenue Code, as amended, relative to  
3 those dates, contained in the Middle Class Tax Relief and Job Creation Act  
4 of 2012 (P.L. 112-96), the American Taxpayer Relief Act of 2012 (P.L. 112-240)  
5 and other federal law amending the Internal Revenue Code and enacted be-  
6 fore January 3, 2013, apply for Oregon personal income and corporate excise  
7 and income tax purposes, to the extent they can be made applicable, in the  
8 same manner as they are applied under the Internal Revenue Code and re-  
9 lated federal law.

10 “(3)(a) If a deficiency is assessed against any taxpayer for a tax year be-  
11 ginning before January 1, 2013, and the deficiency or any portion thereof is  
12 attributable to any retroactive treatment under the amendments to ORS  
13 305.230, 305.494, 305.690, 307.130, 307.147, 308A.450, 310.140, 310.630, 310.800,  
14 314.011, 315.004, 316.012, 317.010, 317.097 and 348.841 by sections 11 to 25 [*of*  
15 *this 2013 Act*], **chapter 377, Oregon Laws 2013 (Enrolled House Bill**  
16 **2492)**, then any interest or penalty assessed under ORS chapter 305, 314, 315,  
17 316, 317 or 318 with respect to the deficiency or portion thereof shall be  
18 canceled.

19 “(b) If a refund is due any taxpayer for a tax year beginning before Jan-  
20 uary 1, 2013, and the refund or any portion thereof is due the taxpayer on  
21 account of any retroactive treatment under the amendments to ORS 305.230,  
22 305.494, 305.690, 307.130, 307.147, 308A.450, 310.140, 310.630, 310.800, 314.011,  
23 315.004, 316.012, 317.010, 317.097 and 348.841 by sections 11 to 25 [*of this 2013*  
24 *Act*], **chapter 377, Oregon Laws 2013 (Enrolled House Bill 2492)**, then  
25 notwithstanding ORS 305.270 or 314.415 or other law, the refund or portion  
26 thereof shall be paid without interest.

27 “(c) Any changes required because of the amendments to ORS 305.230,  
28 305.494, 305.690, 307.130, 307.147, 308A.450, 310.140, 310.630, 310.800, 314.011,  
29 315.004, 316.012, 317.010, 317.097 and 348.841 by sections 11 to 25 [*of this 2013*  
30 *Act*], **chapter 377, Oregon Laws 2013 (Enrolled House Bill 2492)**, for a tax

1 year beginning before January 1, 2013, shall be made by filing an amended  
2 return within the time prescribed by law.

3 “(d) If a taxpayer fails to file an amended return under paragraph (c) of  
4 this subsection, the Department of Revenue shall make any changes under  
5 paragraph (c) of this subsection on the return to which the changes relate  
6 within the period specified for issuing a notice of deficiency or claiming a  
7 refund as otherwise provided by law with respect to that return, or within  
8 one year after a return for a tax year beginning on or after January 1, 2013,  
9 and before January 1, 2014, is filed, whichever period expires later.

10 **“SECTION 4.** ORS 315.266 is amended to read:

11 “315.266. (1) In addition to any other credit available for purposes of ORS  
12 chapter 316, an eligible resident individual shall be allowed a credit against  
13 the tax otherwise due under ORS chapter 316 for the tax year in an amount  
14 equal to [*six*] **eight** percent of the earned income credit allowable to the  
15 individual for the same tax year under section 32 of the Internal Revenue  
16 Code.

17 “(2) An eligible nonresident individual shall be allowed the credit com-  
18 puted in the same manner and subject to the same limitations as the credit  
19 allowed a resident by subsection (1) of this section. However, the credit shall  
20 be prorated using the proportion provided in ORS 316.117.

21 “(3) If a change in the taxable year of a taxpayer occurs as described in  
22 ORS 314.085, or if the Department of Revenue terminates the taxpayer’s  
23 taxable year under ORS 314.440, the credit allowed by this section shall be  
24 prorated or computed in a manner consistent with ORS 314.085.

25 “(4) If a change in the status of a taxpayer from resident to nonresident  
26 or from nonresident to resident occurs, the credit allowed by this section  
27 shall be determined in a manner consistent with ORS 316.117.

28 “(5) If the amount allowable as a credit under this section, when added  
29 to the sum of the amounts allowable as payment of tax under ORS 316.187  
30 or 316.583, other tax prepayment amounts and other refundable credit

1 amounts, exceeds the taxes imposed by ORS chapters 314 and 316 for the tax  
2 year after application of any nonrefundable credits allowable for purposes  
3 of ORS chapter 316 for the tax year, the amount of the excess shall be re-  
4 funded to the taxpayer as provided in ORS 316.502.

5 “(6) The Department of Revenue may adopt rules for purposes of this  
6 section, including but not limited to rules relating to proof of eligibility and  
7 the furnishing of information regarding the federal earned income credit  
8 claimed by the taxpayer for the tax year.

9 “(7) Refunds attributable to the earned income credit allowed under this  
10 section shall not bear interest.

11 **“SECTION 5. The amendments to ORS 315.266 by section 4 of this**  
12 **2013 Act apply to tax years beginning on or after January 1, 2014, and**  
13 **before January 1, 2020.**

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