

**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 section 25, chapter 913, Oregon Laws 2009; and prescribing an effective  
4 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 per-  
10 cent of the individual’s practice, shall be allowed an annual credit against  
11 taxes otherwise due under this chapter in the sum of \$5,000 during the time  
12 in which the individual retains such practice and membership if the indi-  
13 vidual is actively practicing in and is a member of the medical staff of one  
14 of the following hospitals:

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

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

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

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

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

22 “(c) A type C rural hospital, if the Office of Rural Health makes the

1 findings required by ORS 315.619; or

2 “(d) A rural critical access hospital.

3 **“(2) In order to claim the credit allowed under this section, the in-**  
4 **dividual must remain willing during the tax year to serve patients with**  
5 **Medicare coverage and patients receiving medical assistance in at least**  
6 **the same proportion to the individual’s total number of patients as the**  
7 **Medicare and medical assistance populations represent of the total**  
8 **number of persons determined by the Office of Rural Health to be in**  
9 **need of care in the county served by the practice.**

10 “[2] (3) A nonresident **individual** shall be allowed the credit under this  
11 section in the proportion provided in ORS 316.117. If a change in the status  
12 of a taxpayer from resident to nonresident or from nonresident to resident  
13 occurs, the credit allowed by this section shall be determined in a manner  
14 consistent with ORS 316.117.

15 “[3] (4) For purposes of this section, an ‘individual’s practice’ shall be  
16 determined on the basis of actual time spent in practice each week in hours  
17 or days, whichever is considered by the Office of Rural Health to be more  
18 appropriate. In the case of a shareholder of a corporation or a member of a  
19 partnership, only the time of the individual shareholder or partner shall be  
20 considered and the full amount of the credit shall be allowed to each share-  
21 holder or partner who qualifies in an individual capacity.

22 “[4] (5) As used in this section:

23 “(a) ‘Type A hospital,’ ‘type B hospital’ and ‘type C hospital’ have the  
24 meaning for those terms provided in ORS 442.470.

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

29 **“SECTION 3. The amendments to ORS 315.613 by section 2 of this**  
30 **2013 Act apply to tax years beginning on or after January 1, 2014.**

