

# SB 1534 and Amendments

## Introduced Bill

Section	Policy	Clarification
1	Medical Subtraction	IRC reference Phase-out bracket
2	IC-DISC	2.5% tax applies to IC-DISCs formed prior to 1-1-2014
3	Cigarette taxes	Directs revenue to the General Fund
4	Non-passive income	Aligns “material participation” to federal definition
5	Waiver of penalty and interest	Limits applicability to tax year 2013

## Regular Session Correction (-1)

Section	Policy	Clarification
6	Reciprocal state tax exemptions	Reinstates accidentally deleted language
7	Reciprocal state tax exemptions	Retroactive to 2008

## Special Session Technical Provisions (-4)

Lines	Policy	Clarification
Page 1: 1-3		Bill header
Page 1: 4-22 Page 2: 1-6	IC-DISC	Aligns the tax, deduction, and subtraction
Page 2: 9-11	Non-passive income	Ties ‘material participation’ to IRC
Page 2: 12-13	Non-passive income	Applies to Oregon sourced revenue
Page 2: 15-20	Non-passive income	Identifies the use of the preferential rates as the taxpayer’s election

## Special Session Policy Provision (-5)

Section	Policy	Clarification
6	Handicapped child tax credit	Reinstates full credit amount
7	Severe disability tax credit	Reinstates full credit amount
8	Applicability	2013+