

**FISCAL IMPACT OF PROPOSED LEGISLATION**

**Measure: SB 1534 - A10**

Seventy-Seventh Oregon Legislative Assembly – 2014 Regular Session  
Legislative Fiscal Office

*Only Impacts on Original or Engrossed  
Versions are Considered Official*

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Date: 2/24/14

**Measure Description:**

Makes corrections to provisions related to income tax subtraction for senior medical expenses, tax treatment of domestic international sales corporations and distribution of proceeds from cigarette tax; makes interstate bridges and land and structures appurtenant to those bridges exempt from tax in Oregon if reciprocally exempted from taxation in other state, applies exemption retroactively; removes a portion of the definition of material participation for the purpose of applicability of non-passive income of a partnership or S corporation; makes the use of the non-passive income tax rates an optional choice for taxpayers; Clarifies language related to individual income exemption of earnings while crew of a vessel operating in navigable waters of more than one state; Limits the penalties for failing to substantiate and knowingly failing to substantiate reports to only W2 forms; Adds provision that requires proration of non-resident income for purposes of local income taxes for Governor-declared public safety fiscal emergency

**Government Unit(s) Affected:**

Department of Revenue(DOR)

**Analysis:**

The proposed legislation has been determined to have  
**MINIMAL EXPENDITURE IMPACT**  
on state or local government.

While this individual measure has a “Minimal” fiscal impact, an agency may incur a net fiscal impact greater than minimal depending on the cumulative impact of all measures enacted into law that affect the agency.