

**Enrolled**  
**Senate Bill 1541**

Sponsored by Senators THOMSEN, BURDICK, JOHNSON, Representatives PARRISH, WITT, Senator FERRIOLI; Senators BAERTSCHIGER JR, BOQUIST, CLOSE, DEMBROW, DEVLIN, HANSELL, KNOPP, KRUSE, MONNES ANDERSON, OLSEN, ROBLAN, ROSENBAUM, STARR, STEINER HAYWARD, WHITSETT, WINTERS, Representatives BAILEY, BARTON, BENTZ, BOONE, CAMERON, DAVIS, DOHERTY, GELSER, GILLIAM, HICKS, HOYLE, JOHNSON, KENNEMER, KENY-GUYER, KOMP, MCKEOWN, REARDON, RICHARDSON, SPRENGER, WHISNANT, WILLIAMSON (Presession filed.)

CHAPTER .....

AN ACT

Relating to tax credits for crop donation; creating new provisions; amending ORS 315.156 and section 5, chapter 913, Oregon Laws 2009; and prescribing an effective date.

**Be It Enacted by the People of the State of Oregon:**

**SECTION 1.** Section 5, chapter 913, Oregon Laws 2009, is amended to read:

**Sec. 5.** Except as provided in ORS 315.156 (4), a credit may not be claimed under ORS 315.156 for tax years beginning on or after January 1, 2012, **and before January 1, 2014, or on or after January 1, 2020.**

**SECTION 2.** ORS 315.156 is amended to read:

315.156. (1) A taxpaying individual or corporation that is a grower of a crop and that makes a qualified donation of the crop shall be allowed a credit against the taxes otherwise due under ORS chapter 316 or, if the taxpayer is a corporation, under ORS chapter 317 or 318, as follows:

(a) In the case of a qualified donation made under circumstances described in ORS 315.154 (5)(a) or (b), the amount of the credit shall be [10] **15** percent of the value of the quantity of the crop donated computed at the wholesale market price.

(b) In the case of a qualified donation made under circumstances described in ORS 315.154 (5)(c), the amount of the credit shall be [10] **15** percent of the value of the quantity of the crop donated computed at the wholesale market price that the grower would have received had the quantity of the crop donated been sold or salable.

(2) At the time of donation, the director, supervisor or other appropriate official of the entity to which a qualified donation is made shall supply to the grower of the crop donated two copies of a form prescribed by the Department of Revenue. The forms shall contain:

(a) The name and address of the grower;

(b) The description and quantity of the donated crop;

(c) The signature of the director, supervisor or other appropriate official of the entity receiving the donated crop verifying that the produce was or will be distributed to children or homeless, unemployed, elderly or low-income individuals;

(d) The wholesale market price; and

(e) Other information required by the Department of Revenue by rule.

(3) Tax claim for tax credit shall be substantiated by submission with the tax return, of the form described in subsection (2) of this section, a statement verified by the taxpayer that the qualified donation was made under circumstances described in ORS 315.154 (5) and a copy of an invoice or other statement identifying the price received by the grower for the crops of comparable grade or quality if there is a previous cash buyer. The requirement for substantiation may be waived partially, conditionally or absolutely, as provided under ORS 315.063.

(4) Any tax credit otherwise allowable under this section that is not used by the taxpayer in a particular tax year may be carried forward and offset against the taxpayer's tax liability for the next succeeding tax year. Any credit remaining unused in the next succeeding tax year may be carried forward and used in the second succeeding tax year, and likewise, any credit not used in that second succeeding tax year may be carried forward and used in the third succeeding tax year, but may not be carried forward for any tax year thereafter.

(5)(a) A nonresident individual shall be allowed the credit computed under this section in the same manner and subject to the same limitations as the credit allowed a resident by this section. However, the credit shall be prorated using the proportion provided in ORS 316.117.

(b) If a change in the taxable year of a taxpayer occurs as described in ORS 314.085, or if the department terminates the taxpayer's taxable year under ORS 314.440, the credit allowed by this section shall be prorated or computed in a manner consistent with ORS 314.085.

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

**SECTION 3. The amendments to ORS 315.156 by section 2 of this 2014 Act apply to tax years beginning on or after January 1, 2014.**

**SECTION 4. This 2014 Act takes effect on the 91st day after the date on which the 2014 regular session of the Seventy-seventh Legislative Assembly adjourns sine die.**

**Passed by Senate February 14, 2014**

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Robert Taylor, Secretary of Senate

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Peter Courtney, President of Senate

**Passed by House March 4, 2014**

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Tina Kotek, Speaker of House

**Received by Governor:**

.....M.,....., 2014

**Approved:**

.....M.,....., 2014

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John Kitzhaber, Governor

**Filed in Office of Secretary of State:**

.....M.,....., 2014

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Kate Brown, Secretary of State