

**PROPOSED AMENDMENTS TO
HOUSE BILL 4138**

1 On page 2 of the printed bill, after line 9, insert:

2 **“SECTION 3.** ORS 314.680, as amended by section 1 of this 2014 Act, is
3 amended to read:

4 “314.680. As used in ORS 314.680 to 314.690, unless the context requires
5 otherwise:

6 “(1) ‘Broadcasting’ means the **activity of transmitting any one-way**
7 **electronic signal by radio waves, microwaves, wires, coaxial cables,**
8 **wave guides or other conduits of communications.** [*transmission of film*
9 *programming or radio programming by an electronic or other signal*
10 *conducted:*]

11 “[*(a) By radio waves, microwaves, wires, lines, coaxial cables, wave guides,*
12 *fiber optics or satellite transmissions; or*]

13 “[*(b) By or through any other means of communication or distribution.*]

14 “[*(2) ‘Commercial domicile’ has the meaning given that term in ORS*
15 *314.610.*]

16 “[*(3) ‘Customer’ means an advertiser, a licensee or any other person that*
17 *has a direct contractual relationship with an interstate broadcaster under*
18 *which revenue is derived by the interstate broadcaster.*]

19 “[*(4)*] **(2)** ‘Gross receipts from broadcasting’ means [*income from advertis-*
20 *ing, licensing or distributing film programming or radio programming and*]
21 all [*other*] gross receipts of an interstate broadcaster from transactions and
22 activities in the regular course of its trade or business except receipts from

1 sales of real or tangible personal property.

2 “[~~(5)~~] **(3)** ‘Interstate broadcaster’ means a taxpayer that [*apportions income*
3 *within and without this state and is a television or radio broadcast network,*
4 *a cable program network, a television distribution company or a television or*
5 *radio station.*] **engages in the for-profit business of broadcasting to**
6 **subscribers or to an audience located both within and without this**
7 **state. The audience or subscribers ratio shall be determined by rule**
8 **of the Department of Revenue.**

9 **“SECTION 4.** ORS 314.684, as amended by section 2 of this 2014 Act, is
10 amended to read:

11 “314.684. (1) The sales factor for an interstate broadcaster shall be deter-
12 mined as provided in this section.

13 “(2) The denominator of the sales factor shall include the total gross re-
14 ceipts derived by the interstate broadcaster from transactions and activities
15 in the regular course of its trade or business, except receipts excluded under
16 rules of the Department of Revenue.

17 “(3) The numerator of the sales factor shall include all gross receipts at-
18 tributable to this state, with gross receipts from broadcasting to be included
19 as specified in subsection (4) of this section.

20 “(4) Gross receipts from broadcasting of an interstate broadcaster that
21 engages in income-producing activity in this state shall be included in the
22 numerator of the sales factor [*if the commercial domicile of the customer is*]
23 **in the ratio that the interstate broadcaster’s audience or subscribers**
24 **located in this state bears to its total audience and subscribers located**
25 **both within and without this state.”.**

26 In line 10, delete “3” and insert “5” and before “The” insert “(1)”.

27 In line 11, delete the period and insert “, and before January 1, 2020.

28 “(2) The amendments to ORS 314.680 and 314.684 by sections 3 and 4 of
29 this 2014 Act apply to tax years beginning on or after January 1, 2020.”.

30 In line 12, delete “4” and insert “6”.

