

Seventy-Eighth Oregon Legislative Assembly - 2015 Regular Session
PRELIMINARY STAFF MEASURE SUMMARY
House Committee On Revenue

MEASURE: HB 2859

Fiscal: May have fiscal impact, but no statement yet issued
Revenue: May have revenue impact, but no statement yet issued

Action Date:

Action:

Meeting Dates:

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WHAT THE MEASURE DOES:

Reduces the tax rate applicable to income earned from a Benefit Company. If subject to personal income taxes (LLCs), the applicable rate is either 8% or the existing marginal tax rate, whichever is lower. If subject to the corporation tax rate (C-corporations), the applicable rate is structure is reduced from the current tax rates of 6.6% and 7.6% to tax rates of 5.6% and 6.6%. The changes would apply beginning with tax year 2015.

ISSUES DISCUSSED:

EFFECT OF COMMITTEE AMENDMENT:

No amendment.

BACKGROUND:

A Benefit Company is a relatively new corporate status that is intended to include positive impacts on society and the environment when executing the fiduciary obligation of earning a profit. This status includes corporations and LLCs. Having the status of a Benefit Company only affects the requirements of corporate purpose, accountability, and transparency. This bill would create a difference in taxation as well.