

PAUL L. EVANS
STATE REPRESENTATIVE
DISTRICT 20



HOUSE OF REPRESENTATIVES

May 14, 2015

Representative Barnhart, Chair
House Revenue Committee
Oregon House of Representatives
Oregon State Capitol
900 Court Street NE
Salem, Oregon 97301

Chair Barnhart:

I am writing this letter to support passage of House Bill 3029. I regret missing the public hearing today, but I am hosting a 40th Anniversary event for our Hmong-Laotian Allies. After four decades of living in the shadows – these courageous men and women are being recognized as full partners in our efforts in Indochina – and Vietnam. I appreciate your graciousness and understanding my absence from the hearing today.

House Bill 3029 is both instrument as well as ornament: it is symbolic action. It will help families and demonstrate to the veteran's community that Oregon cares: that Oregon cares about the men and women that fight our wars – cares about the families that sustain them – and in this case, cares about those left behind after the last full measure of devotion is contributed.

House Bill 3029 is a simple, straight-forward piece of legislation. It will create a subtraction from federal taxable income for benefits paid to surviving spouse or dependent child of service member. This measure will ensure that the benefits provided by a grateful nation in the shadow of selfless sacrifice is not subject to tax. Although a small bill, I can think of no better piece of legislation for our public consideration on this – May 14, 2015 – Armed Forces Day.

Right now there are over 320,000 veterans living in Oregon. About 300 veterans return to Oregon each month after completing service. And for the first time in US History, we have four generations of warriors spanning five major military conflicts living together. This bill will demonstrate our commitment to our military families at a time where global threats to international stability are on the rise.

Sadly, we need – and will continue to need – this piece of legislation more often than we might think. And while we would all wish it to become obsolete someday, that day has not yet arrived. Therefore, I am asking for your positive consideration and favorable disposition of this critical measure.

Thank you for your willingness to schedule a public hearing on House Bill 3029. Please let me know if there is anything I can provide that might help advancing this proposal.

Respectfully,

Paul L. Evans
Oregon House of Representatives
District 20

House Bill 3029

Sponsored by Representative PARRISH; Representative EVANS

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure as introduced.

Creates subtraction from federal taxable income for benefits paid to surviving spouse or dependent child of service member.

Applies to tax years beginning on or after January 1, 2015.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1 Relating to a tax subtraction for military survivor benefits; and prescribing an effective date.

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

3 **SECTION 1.** Section 2 of this 2015 Act is added to and made a part of ORS chapter 316.

4 **SECTION 2.** (1) As used in this section:

5 (a) "Blind" and "disability" have the meanings given those terms in ORS 411.704.

6 (b) "Qualifying benefit" means amounts paid to the surviving spouse or dependent child
7 of a service member under 10 U.S.C. 1448 or 1450, to the extent that those amounts are in-
8 cluded in the taxpayer's federal taxable income.

9 (2) If the taxpayer is blind or has a disability, there shall be subtracted from federal
10 taxable income the total amount of any qualifying benefit received by the taxpayer during
11 the tax year.

12 (3) If the taxpayer is not blind and has no disability, there shall be subtracted from fed-
13 eral taxable income:

14 (a) The total amount of any qualifying benefit received by the taxpayer during the tax
15 year that is less than or equal to \$30,000; and

16 (b) Fifty percent of any qualifying benefit received by the taxpayer during the tax year
17 that is in excess of \$30,000.

18 (4) The Department of Veterans' Affairs, in consultation with the Department of Re-
19 venue, shall by rule establish criteria and policies for the administration of this section.

20 **SECTION 3.** Section 2 of this 2015 Act applies to tax years beginning on or after January
21 1, 2015.

22 **SECTION 4.** This 2015 Act takes effect on the 91st day after the date on which the 2015
23 regular session of the Seventy-eighth Legislative Assembly adjourns sine die.
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NOTE: Matter in boldfaced type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in boldfaced type.