

House Bill 2949

Sponsored by Representatives EVANS, GOMBERG

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 taxable income for start-up expenditures.
Applies to tax years beginning on or after January 1, 2016, and before January 1, 2022.
Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to subtractions for start-up expenditures; and prescribing an effective date.

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

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

5 **SECTION 2. (1) As used in this section, "start-up expenditure" has the meaning given**
6 **that term in section 195(c) of the Internal Revenue Code.**

7 **(2)(a) A subtraction from federal taxable income shall be allowed under this chapter for**
8 **start-up expenditures of an Oregon trade or business paid or incurred by the taxpayer.**

9 **(b) The amount of the subtraction under this section shall equal 20 percent of the amount**
10 **allowed as a deduction under section 195 of the Internal Revenue Code for the tax year.**

11 **(3) The Department of Revenue shall by rule establish criteria and policies for adminis-**
12 **tering the subtraction allowed under this section.**

13 **SECTION 3. Section 4 of this 2015 Act is added to and made a part of ORS chapter 317.**

14 **SECTION 4. (1) As used in this section, "start-up expenditure" has the meaning given**
15 **that term in section 195(c) of the Internal Revenue Code.**

16 **(2)(a) A subtraction from federal taxable income shall be allowed under this chapter for**
17 **start-up expenditures of an Oregon trade or business paid or incurred by the taxpayer.**

18 **(b) The amount of the subtraction under this section shall equal 20 percent of the amount**
19 **allowed as a deduction under section 195 of the Internal Revenue Code for the tax year.**

20 **(3) The Department of Revenue shall by rule establish criteria and policies for adminis-**
21 **tering the subtraction allowed under this section.**

22 **SECTION 5. Sections 2 and 4 of this 2015 Act apply to tax years beginning on or after**
23 **January 1, 2016, and before January 1, 2022.**

24 **SECTION 6. This 2015 Act takes effect on the 91st day after the date on which the 2015**
25 **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.