

SENATE AMENDMENTS TO B-ENGROSSED HOUSE BILL 3396

By JOINT COMMITTEE ON WAYS AND MEANS

July 6

- 1 On page 1 of the printed B-engrossed bill, line 2, after “ORS” insert “315.613,”.
- 2 Delete line 5 and insert “and prescribing an effective date.”.
- 3 On page 4, after line 45, insert:
- 4 “**SECTION 7a.** ORS 315.613, as amended by section 19, chapter ____, Oregon Laws 2015 (En-
- 5 rolled House Bill 2171), is amended to read:
- 6 “315.613. (1) A resident or nonresident individual certified as eligible under ORS 442.563, li-
- 7 censed under ORS chapter 677, who is engaged in the practice of medicine, and who is engaged for
- 8 at least 20 hours per week, averaged over the month, during the tax year in a rural practice, shall
- 9 be allowed an annual credit against taxes otherwise due under ORS chapter 316.
- 10 “(2) The amount of credit allowed shall be based on the distance, in highway miles, from a major
- 11 population center in a **qualified** metropolitan statistical area at which the taxpayer maintains a
- 12 practice or hospital membership:
- 13 “(a) If at least 10 miles but fewer than 20 miles, \$3,000.
- 14 “(b) If at least 20 miles but fewer than 50 miles, \$4,000.
- 15 “(c) If 50 or more miles, \$5,000.
- 16 “(3) The credit shall be allowed during the time in which the individual retains such practice
- 17 and membership if the individual is actively practicing in and is a member of the medical staff of
- 18 one of the following hospitals:
- 19 “(a) A type A hospital designated as such by the Office of Rural Health;
- 20 “(b) A type B hospital designated as such by the Office of Rural Health if the hospital is:
- 21 “(A) Not within the boundaries of a metropolitan statistical area;
- 22 “**(B) Located 30 or more highway miles from the closest hospital within the major popu-**
- 23 **lation center in a metropolitan statistical area; or**
- 24 “[~~(B)~~] (C) Located in a county with a population of less than 75,000;
- 25 “(c) A type C rural hospital, if the Office of Rural Health makes the findings required by ORS
- 26 315.619;
- 27 “(d) A rural hospital that was designated a rural referral center by the federal government be-
- 28 fore January 1, 1989, and that serves a community with a population of at least 14,000 but not more
- 29 than 19,000; or
- 30 “(e) A rural critical access hospital.
- 31 “(4) In order to claim the credit allowed under this section, the individual must remain willing
- 32 during the tax year to serve patients with Medicare coverage and patients receiving medical as-
- 33 sistance in at least the same proportion to the individual’s total number of patients as the Medicare
- 34 and medical assistance populations represent of the total number of persons determined by the Of-
- 35 fice of Rural Health to be in need of care in the county served by the practice, not to exceed 20

1 percent Medicare patients or 15 percent medical assistance patients.

2 “(5) A nonresident individual shall be allowed the credit under this section in the proportion
3 provided in ORS 316.117. If a change in the status of a taxpayer from resident to nonresident or from
4 nonresident to resident occurs, the credit allowed by this section shall be determined in a manner
5 consistent with ORS 316.117.

6 “(6) For purposes of this section, an ‘individual’s practice’ shall be determined on the basis of
7 actual time spent in practice each week in hours or days, whichever is considered by the Office of
8 Rural Health to be more appropriate. In the case of a shareholder of a corporation or a member of
9 a partnership, only the time of the individual shareholder or partner shall be considered and the full
10 amount of the credit shall be allowed to each shareholder or partner who qualifies in an individual
11 capacity.

12 “(7) As used in this section:

13 “[*(a) ‘Type A hospital,’ ‘type B hospital’ and ‘type C hospital’ have the meaning for those terms*
14 *provided in ORS 442.470.*]

15 “(a) **‘Qualified metropolitan statistical area’ means only those counties of a metropolitan**
16 **statistical area that are located in Oregon if the largest city within the metropolitan statis-**
17 **tical area is located in Oregon.**

18 “(b) ‘Rural critical access hospital’ means a facility that meets the criteria set forth in 42 U.S.C.
19 1395i-4 (c)(2)(B) and that has been designated a critical access hospital by the Office of Rural Health
20 and the Oregon Health Authority.

21 “(c) **‘Type A hospital,’ ‘type B hospital’ and ‘type C hospital’ have the meaning for those**
22 **terms provided in ORS 442.470.**

23 “**SECTION 7b. The amendments to ORS 315.613 by section 7a of this 2015 Act apply to tax**
24 **years beginning on or after January 1, 2016.”.**

25 On page 5, delete lines 30 through 32 and insert:

26 “**SECTION 15. This 2015 Act takes effect on the 91st day after the date on which the 2015**
27 **regular session of the Seventy-eighth Legislative Assembly adjourns sine die.”.**