

House Bill 3462

Sponsored by 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**.

Modifies credit against wine privilege tax for marketing activity by allowing credit for promotion of specific brands of wine or wine products and by increasing percentage of costs allowed as credit.

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
2 Relating to a tax credit for wine marketing activity; creating new provisions; amending ORS 473.047;
3 and prescribing an effective date.

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

5 **SECTION 1.** ORS 473.047 is amended to read:

6 473.047. (1) As used in this section, "qualified marketing activity" means marketing activity:

7 (a) That promotes the sale of wine or wine products;

8 (b) That does not [*promote specific brands of wine or wine products or*] exclusively promote the
9 products of any particular winery; and

10 (c) That has been approved by the Oregon Wine Board.

11 (2) A credit against the privilege tax otherwise due under ORS 473.030 (2) is allowed to a man-
12 ufacturer or importing distributor of wine for the qualified marketing activity expenditures made by
13 the manufacturer or importing distributor in the calendar year prior to the year for which the credit
14 is claimed.

15 (3) The credit allowed under this section shall be [28] **60** percent of the sum of the following:

16 (a) One hundred percent of the cost of qualified marketing activity to the extent that the cost
17 of the activity does not exceed the amount of taxes the manufacturer or importing distributor of
18 wine owed under ORS 473.030 (2) on the first 40,000 gallons, or 151,000 liters, of wine sold annually
19 in Oregon; and

20 (b) Twenty-five percent of the tax owed under ORS 473.030 (2) for qualified marketing activity
21 on wine sales above 40,000 gallons, or 151,000 liters, of wine sold annually in Oregon.

22 (4) The credit allowed under this section may not exceed the tax liability of the manufacturer
23 or importing distributor of wine under ORS 473.030 (2) for the calendar year following the year in
24 which qualified marketing activity occurred.

25 (5) A manufacturer or importing distributor of wine that wishes to claim the credit allowed un-
26 der this section shall submit with the manufacturer's or importing distributor's tax return form a
27 certificate issued by the board verifying that the marketing activity was a qualified marketing ac-
28 tivity. The credit shall be claimed on the form and include the information required by the Oregon
29 Liquor Control Commission by rule.

30 (6) The credit shall be claimed against the taxes reported on the return filed under ORS 473.060

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.

1 for each month in the calendar year following the year in which the qualified marketing activity
2 occurred, until the credit is completely used or the year ends, whichever occurs first.

3 (7) The board shall by rule further define, consistent with the definition in subsection (1) of this
4 section, the marketing activities that constitute qualified marketing activity.

5 **SECTION 2. The amendments to ORS 473.047 by section 1 of this 2015 Act apply to tax**
6 **years beginning on or after January 1, 2015.**

7 **SECTION 3. This 2015 Act takes effect on the 91st day after the date on which the 2015**
8 **regular session of the Seventy-eighth Legislative Assembly adjourns sine die.**

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