

## SENATE AMENDMENTS TO SENATE BILL 296

By COMMITTEE ON HUMAN SERVICES AND EARLY CHILDHOOD

April 13

1 On page 7 of the printed bill, after line 9, insert:

2 “(4) ‘Income’ means ‘adjusted gross income’ as defined in the federal Internal Revenue Code, as  
3 amended and in effect on December 31, 2014, even when the amendments take effect or become op-  
4 erative after that date, relating to the measurement of taxable income of individuals, estates and  
5 trusts, with the following modifications:

6 “(a) There shall be added to adjusted gross income the following items of otherwise exempt in-  
7 come:

8 “(A) The gross amount of any otherwise exempt pension less return of investment, if any.

9 “(B) Child support received by the taxpayer.

10 “(C) Inheritances.

11 “(D) Gifts and grants, the sum of which are in excess of \$500 per year.

12 “(E) Amounts received by a taxpayer or spouse of a taxpayer for support from a parent who is  
13 not a member of the taxpayer’s household.

14 “(F) Life insurance proceeds.

15 “(G) Accident and health insurance proceeds, except reimbursement of incurred medical ex-  
16 penses.

17 “(H) Personal injury damages.

18 “(I) Sick pay that is not included in federal adjusted gross income.

19 “(J) Strike benefits excluded from federal gross income.

20 “(K) Worker’s compensation, except for reimbursement of medical expense.

21 “(L) Military pay and benefits.

22 “(M) Veteran’s benefits.

23 “(N) Payments received under the federal Social Security Act that are excluded from federal  
24 gross income.

25 “(O) Welfare payments, except as follows:

26 “(i) Payments for medical care, drugs and medical supplies, if the payments are not made di-  
27 rectly to the welfare recipient;

28 “(ii) In-home services authorized and approved by the Department of Human Services; and

29 “(iii) Direct or indirect reimbursement of expenses paid or incurred for participation in work  
30 or training programs.

31 “(P) Nontaxable dividends.

32 “(Q) Nontaxable interest not included in federal adjusted gross income.

33 “(R) Rental allowance paid to a minister that is excluded from federal gross income.

34 “(S) Income from sources without the United States that is excluded from federal gross income.

35 “(b) Adjusted gross income shall be increased due to the disallowance of the following de-

1     ductions:

2         “(A) The amount of the net loss, in excess of \$1,000, from all dispositions of tangible or intan-  
3     gible properties.

4         “(B) The amount of the net loss, in excess of \$1,000, from the operation of a farm or farms.

5         “(C) The amount of the net loss, in excess of \$1,000, from all operations of a trade or business,  
6     profession or other activity entered into for the production or collection of income.

7         “(D) The amount of the net loss, in excess of \$1,000, from tangible or intangible property held  
8     for the production of rents, royalties or other income.

9         “(E) The amount of any net operating loss carryovers or carrybacks included in federal adjusted  
10    gross income.

11        “(F) The amount, in excess of \$5,000, of the combined deductions or other allowances for de-  
12    preciation, amortization or depletion.

13        “(G) The amount added or subtracted, as required within the context of this section, for ad-  
14    justments made under ORS 316.680 (2)(d) and 316.707 to 316.737.

15        “(c) ‘Income’ does not include any of the following:

16         “(A) Any governmental grant that must be used by the taxpayer for rehabilitation of the home-  
17    stead of the taxpayer.

18         “(B) The amount of any payments made pursuant to ORS 310.630 to 310.706.

19         “(C) Any refund of Oregon personal income taxes that were imposed under ORS chapter 316.”.

20         In line 10, delete “(4)(a)” and insert “(5)(a)”.

21         In line 16, delete “(5)” and insert “(6)”.

22         In line 20, delete “(6)” and insert “(7)”.

23         In line 22, delete “(7)” and insert “(8)”.

24         In line 24, delete “(8)” and insert “(9)”.

25         In line 26, delete “(9)(a)” and insert “(10)(a)”.

26         In line 30, delete “(10)” and insert “(11)”.

27         On page 15, after line 14, insert:

28         “(3) ‘Income’ means ‘adjusted gross income’ as defined in the federal Internal Revenue Code, as  
29    amended and in effect on December 31, 2014, even when the amendments take effect or become op-  
30    erative after that date, relating to the measurement of taxable income of individuals, estates and  
31    trusts, with the following modifications:

32         “(a) There shall be added to adjusted gross income the following items of otherwise exempt in-  
33    come:

34         “(A) The gross amount of any otherwise exempt pension less return of investment, if any.

35         “(B) Child support received by the taxpayer.

36         “(C) Inheritances.

37         “(D) Gifts and grants, the sum of which are in excess of \$500 per year.

38         “(E) Amounts received by a taxpayer or spouse of a taxpayer for support from a parent who is  
39    not a member of the taxpayer’s household.

40         “(F) Life insurance proceeds.

41         “(G) Accident and health insurance proceeds, except reimbursement of incurred medical ex-  
42    penses.

43         “(H) Personal injury damages.

44         “(I) Sick pay that is not included in federal adjusted gross income.

45         “(J) Strike benefits excluded from federal gross income.

1 “(K) Worker’s compensation, except for reimbursement of medical expense.  
2 “(L) Military pay and benefits.  
3 “(M) Veteran’s benefits.  
4 “(N) Payments received under the federal Social Security Act that are excluded from federal  
5 gross income.  
6 “(O) Welfare payments, except as follows:  
7 “(i) Payments for medical care, drugs and medical supplies, if the payments are not made di-  
8 rectly to the welfare recipient;  
9 “(ii) In-home services authorized and approved by the Department of Human Services; and  
10 “(iii) Direct or indirect reimbursement of expenses paid or incurred for participation in work  
11 or training programs.  
12 “(P) Nontaxable dividends.  
13 “(Q) Nontaxable interest not included in federal adjusted gross income.  
14 “(R) Rental allowance paid to a minister that is excluded from federal gross income.  
15 “(S) Income from sources without the United States that is excluded from federal gross income.  
16 “(b) Adjusted gross income shall be increased due to the disallowance of the following de-  
17 ductions:  
18 “(A) The amount of the net loss, in excess of \$1,000, from all dispositions of tangible or intan-  
19 gible properties.  
20 “(B) The amount of the net loss, in excess of \$1,000, from the operation of a farm or farms.  
21 “(C) The amount of the net loss, in excess of \$1,000, from all operations of a trade or business,  
22 profession or other activity entered into for the production or collection of income.  
23 “(D) The amount of the net loss, in excess of \$1,000, from tangible or intangible property held  
24 for the production of rents, royalties or other income.  
25 “(E) The amount of any net operating loss carryovers or carrybacks included in federal adjusted  
26 gross income.  
27 “(F) The amount, in excess of \$5,000, of the combined deductions or other allowances for de-  
28 preciation, amortization or depletion.  
29 “(G) The amount added or subtracted, as required within the context of this section, for ad-  
30 justments made under ORS 316.680 (2)(d) and 316.707 to 316.737.  
31 “(c) ‘Income’ does not include any of the following:  
32 “(A) Any governmental grant that must be used by the taxpayer for rehabilitation of the home-  
33 stead of the taxpayer.  
34 “(B) The amount of any payments made pursuant to ORS 310.630 to 310.706.  
35 “(C) Any refund of Oregon personal income taxes that were imposed under ORS chapter 316.”.  
36 In line 15, delete “(3)” and insert “(4)”.  
37 After line 45, insert:  
38 “(c) ‘Income’ means ‘adjusted gross income’ as defined in the federal Internal Revenue Code, as  
39 amended and in effect on December 31, 2014, even when the amendments take effect or become op-  
40 erative after that date, relating to the measurement of taxable income of individuals, estates and  
41 trusts, with the following modifications:  
42 “(A) There shall be added to adjusted gross income the following items of otherwise exempt in-  
43 come:  
44 “(i) The gross amount of any otherwise exempt pension less return of investment, if any.  
45 “(ii) Child support received by the taxpayer.

1           “(iii) Inheritances.

2           “(iv) Gifts and grants, the sum of which are in excess of \$500 per year.

3           “(v) Amounts received by a taxpayer or spouse of a taxpayer for support from a parent who is  
4 not a member of the taxpayer’s household.

5           “(vi) Life insurance proceeds.

6           “(vii) Accident and health insurance proceeds, except reimbursement of incurred medical ex-  
7 penses.

8           “(viii) Personal injury damages.

9           “(ix) Sick pay that is not included in federal adjusted gross income.

10          “(x) Strike benefits excluded from federal gross income.

11          “(xi) Worker’s compensation, except for reimbursement of medical expense.

12          “(xii) Military pay and benefits.

13          “(xiii) Veteran’s benefits.

14          “(xiv) Payments received under the federal Social Security Act that are excluded from federal  
15 gross income.

16          “(xv) Welfare payments, except as follows:

17           “(I) Payments for medical care, drugs and medical supplies, if the payments are not made di-  
18 rectly to the welfare recipient;

19           “(II) In-home services authorized and approved by the Department of Human Services; and

20           “(III) Direct or indirect reimbursement of expenses paid or incurred for participation in work  
21 or training programs.

22          “(xvi) Nontaxable dividends.

23          “(xvii) Nontaxable interest not included in federal adjusted gross income.

24          “(xviii) Rental allowance paid to a minister that is excluded from federal gross income.

25          “(xix) Income from sources without the United States that is excluded from federal gross income.

26          “(B) Adjusted gross income shall be increased due to the disallowance of the following de-  
27 ductions:

28           “(i) The amount of the net loss, in excess of \$1,000, from all dispositions of tangible or intangible  
29 properties.

30           “(ii) The amount of the net loss, in excess of \$1,000, from the operation of a farm or farms.

31           “(iii) The amount of the net loss, in excess of \$1,000, from all operations of a trade or business,  
32 profession or other activity entered into for the production or collection of income.

33           “(iv) The amount of the net loss, in excess of \$1,000, from tangible or intangible property held  
34 for the production of rents, royalties or other income.

35           “(v) The amount of any net operating loss carryovers or carrybacks included in federal adjusted  
36 gross income.

37           “(vi) The amount, in excess of \$5,000, of the combined deductions or other allowances for de-  
38 preciation, amortization or depletion.

39           “(vii) The amount added or subtracted, as required within the context of this section, for ad-  
40 justments made under ORS 316.680 (2)(d) and 316.707 to 316.737.

41          “(C) ‘Income’ does not include any of the following:

42           “(i) Any governmental grant that must be used by the taxpayer for rehabilitation of the home-  
43 stead of the taxpayer.

44           “(ii) The amount of any payments made pursuant to ORS 310.630 to 310.706.

45           “(iii) Any refund of Oregon personal income taxes that were imposed under ORS chapter 316.”.

- 1 On page 16, line 1, delete “(c)” and insert “(d)”.
- 2 In line 13, delete “(d)” and insert “(e)”.
- 3 In line 31, delete “(e)” and insert “(f)”.
- 4 On page 27, line 5, delete “2013” and insert “2014”.
- 5 In line 23, delete “January” and insert “July”.
- 6 Delete lines 29 through 35.
- 7 In line 39, delete “31” and insert “30”.
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