

Senate Bill 62

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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**.

Provides that tax credit for crop donation cannot be claimed for portion of crop that has been processed.

Applies to tax years beginning on or after January 1, 2016.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to tax credits for crop donation; creating new provisions; amending ORS 315.156 and sec-
3 tion 5, chapter 913, Oregon Laws 2009; and prescribing an effective date.

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

5 **SECTION 1.** ORS 315.156, as amended by section 2, chapter 115, Oregon Laws 2014, is amended
6 to read:

7 315.156. (1) A taxpaying individual or corporation that is a grower of a crop and that makes a
8 qualified donation of the crop shall be allowed a credit against the taxes otherwise due under ORS
9 chapter 316 or, if the taxpayer is a corporation, under ORS chapter 317 or 318, as follows:

10 (a) In the case of a qualified donation made under circumstances described in ORS 315.154 (5)(a)
11 or (b), the amount of the credit shall be 15 percent of the value of the quantity of the crop donated
12 computed at the wholesale market price.

13 (b) In the case of a qualified donation made under circumstances described in ORS 315.154 (5)(c),
14 the amount of the credit shall be 15 percent of the value of the quantity of the crop donated com-
15 puted at the wholesale market price that the grower would have received had the quantity of the
16 crop donated been sold or salable.

17 **(2) A credit is not allowed for any portion of crop that has been processed.**

18 [(2)] **(3)** At the time of donation, the director, supervisor or other appropriate official of the
19 entity to which a qualified donation is made shall supply to the grower of the crop donated two
20 copies of a form prescribed by the Department of Revenue. The forms shall contain:

21 (a) The name and address of the grower;

22 (b) The description and quantity of the donated crop;

23 (c) The signature of the director, supervisor or other appropriate official of the entity receiving
24 the donated crop verifying that the produce was or will be distributed to children or homeless, un-
25 employed, elderly or low-income individuals;

26 (d) The wholesale market price; and

27 (e) Other information required by the Department of Revenue by rule.

28 [(3)] **(4)** Tax claim for tax credit shall be substantiated by submission with the tax return, of the
29 form described in subsection [(2)] **(3)** of this section, a statement verified by the taxpayer that the

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 qualified donation was made under circumstances described in ORS 315.154 (5) and a copy of an
2 invoice or other statement identifying the price received by the grower for the crops of comparable
3 grade or quality if there is a previous cash buyer. The requirement for substantiation may be waived
4 partially, conditionally or absolutely, as provided under ORS 315.063.

5 [(4)] (5) Any tax credit otherwise allowable under this section that is not used by the taxpayer
6 in a particular tax year may be carried forward and offset against the taxpayer's tax liability for
7 the next succeeding tax year. Any credit remaining unused in the next succeeding tax year may be
8 carried forward and used in the second succeeding tax year, and likewise, any credit not used in
9 that second succeeding tax year may be carried forward and used in the third succeeding tax year,
10 but may not be carried forward for any tax year thereafter.

11 [(5)(a)] (6)(a) A nonresident individual shall be allowed the credit computed under this section
12 in the same manner and subject to the same limitations as the credit allowed a resident by this
13 section. However, the credit shall be prorated using the proportion provided in ORS 316.117.

14 (b) If a change in the taxable year of a taxpayer occurs as described in ORS 314.085, or if the
15 department terminates the taxpayer's taxable year under ORS 314.440, the credit allowed by this
16 section shall be prorated or computed in a manner consistent with ORS 314.085.

17 (c) If a change in the status of a taxpayer from resident to nonresident or from nonresident to
18 resident occurs, the credit allowed by this section shall be determined in a manner consistent with
19 ORS 316.117.

20 **SECTION 2.** Section 5, chapter 913, Oregon Laws 2009, as amended by section 1, chapter 115,
21 Oregon Laws 2014, is amended to read:

22 **Sec. 5.** Except as provided in ORS 315.156 [(4)] (5), a credit may not be claimed under ORS
23 315.156 for tax years beginning on or after January 1, 2012, and before January 1, 2014, or on or
24 after January 1, 2020.

25 **SECTION 3.** The amendments to ORS 315.156 by section 1 of this 2015 Act apply to tax
26 years beginning on or after January 1, 2016.

27 **SECTION 4.** This 2015 Act takes effect on the 91st day after the date on which the 2015
28 regular session of the Seventy-eighth Legislative Assembly adjourns sine die.

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