

SENATE AMENDMENTS TO SENATE BILL 925

By COMMITTEE ON FINANCE AND REVENUE

June 3

1 Delete lines 4 through 9 of the printed bill and insert:

2 **“SECTION 1. (1) The Legislative Revenue Officer, in consultation with the Department**
3 **of Revenue and the Legislative Counsel, shall make recommendations for proposed legislation**
4 **intended to restructure Oregon’s tax system, to be considered during the 2016 regular ses-**
5 **sion of the Legislative Assembly. The proposed legislation shall consist of the following:**

6 **“(a) A bill that repeals the corporate income tax, reduces personal income tax rates and**
7 **increases the standard deduction for personal income taxpayers. To offset revenue loss from**
8 **these changes, the bill shall establish the framework for the implementation of a commercial**
9 **activity tax, including proposed rates, threshold for taxation, clarification of the tax base and**
10 **the underlying tax structure.**

11 **“(b) A proposed constitutional provision that restructures Oregon’s property tax system.**
12 **The provision shall include a return to a market value-based property assessment system**
13 **and the establishment of a homestead exemption to reduce property taxes for owner-**
14 **occupied residential property.**

15 **“(c) Any additional measures necessary to implement and administer the proposed**
16 **structural changes to the tax system.**

17 **“(2) The Legislative Revenue Officer shall prepare analysis for the proposed legislation**
18 **described in subsection (1) of this section. The analysis shall consist of alternative scenarios**
19 **and include the following:**

20 **“(a) Long term economic impacts, including impacts on overall state employment, per-**
21 **sonal income, wages and the price level.**

22 **“(b) Impact on state revenue and local revenue, including the effects of secondary eco-**
23 **nomic impacts.**

24 **“(c) Impact on the distribution of the state and local tax burden between households and**
25 **businesses, and by income levels.**

26 **“(d) Impact on the stability of the state and local revenue system over the course of the**
27 **business cycle.**

28 **“(e) Potential tax administration issues associated with the proposed structural changes.**

29 **“(f) Any other analysis of the proposed changes deemed relevant to the policy decision**
30 **process by the Legislative Revenue Officer.**

31 **“(3) Not later than December 1, 2015, the Legislative Revenue Officer shall submit a re-**
32 **port to the interim committees of the Legislative Assembly related to revenue on the**
33 **progress of the Legislative Revenue Officer on the proposed legislation and analysis required**
34 **under this section.**

35 **“SECTION 2. This 2015 Act takes effect on the 91st day after the date on which the 2015**

1 **regular session of the Seventy-eighth Legislative Assembly adjourns sine die.”**
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