

SB 46-1
 (LC 1417)
 2/9/15 (CMT/ps)

**PROPOSED AMENDMENTS TO
 SENATE BILL 46**

1 In line 2 of the printed bill, delete “amending” and insert “creating new
 2 provisions; amending ORS 316.078 and”.

3 In line 3, after “2009” insert “; and prescribing an effective date”.

4 After line 7, insert:

5 “**SECTION 2.** ORS 316.078 is amended to read:

6 “316.078. (1) A resident individual shall be allowed a credit against the
 7 tax otherwise due under this chapter in an amount equal to a percentage of
 8 employment-related expenses allowable pursuant to section 21 of the Internal
 9 Revenue Code, notwithstanding the limitation imposed by section 26 of the
 10 Internal Revenue Code. The percentage shall be determined on the basis of
 11 federal taxable income, as defined in section 63 of the Internal Revenue Code
 12 and as reflected on the federal return, whether or not a joint return, of the
 13 taxpayer for the taxable year, in accordance with the following table:

14 “ _____

15 If federal taxable		16 The percentage is:
17 income is:		
18 Not over \$5,000		[30%] 50%
19 Over \$5,000 but not		
20 over \$10,000		[15%] 25%
21 Over \$10,000 but not		
22 over \$15,000		[8%] 13%

1	Over \$15,000 but not	
2	over \$25,000	[6%] 10%
3	Over \$25,000 but not	
4	over \$35,000	[5%] 8%
5	Over \$35,000 but not	
6	over \$45,000	[4%] 7%
7	Over \$45,000	0%

8 “

9 “(2) A nonresident individual shall be allowed the credit computed in the
10 same manner and subject to the same limitations as the credit allowed a
11 resident by subsection (1) of this section. However, the credit shall be pro-
12 rated using the proportion provided in ORS 316.117.

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

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

20 “(5) Any tax credit otherwise allowable under this section which is not
21 used by the taxpayer in a particular year may be carried forward and offset
22 against the taxpayer’s tax liability for the next succeeding tax year. Any
23 credit remaining unused in such next succeeding tax year may be carried
24 forward and used in the second succeeding tax year, and likewise any credit
25 not used in that second succeeding tax year may be carried forward and used
26 in the third succeeding tax year, and any credit not used in that third suc-
27 ceeding tax year may be carried forward and used in the fourth succeeding
28 tax year, and any credit not used in that fourth succeeding tax year may be
29 carried forward and used in the fifth succeeding tax year, but may not be
30 carried forward for any tax year thereafter.

1 **“SECTION 3. The amendments to ORS 316.078 by section 2 of this**
2 **2015 Act applies to tax years beginning on or after January 1, 2016.**

3 **“SECTION 4. This 2015 Act takes effect on the 91st day after the**
4 **date on which the 2015 regular session of the Seventy-eighth Legisla-**
5 **tive Assembly adjourns sine die.”.**

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