

**PROPOSED AMENDMENTS TO  
SENATE BILL 296**

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

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

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

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

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

12 “(C) Inheritances.

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

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

16 “(F) Life insurance proceeds.

17 “(G) Accident and health insurance proceeds, except reimbursement of  
18 incurred medical expenses.

19 “(H) Personal injury damages.

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

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

22 “(K) Worker’s compensation, except for reimbursement of medical ex-

1 pense.

2 “(L) Military pay and benefits.

3 “(M) Veteran’s benefits.

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

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

7 “(i) Payments for medical care, drugs and medical supplies, if the pay-  
8 ments are not made directly to the welfare recipient;

9 “(ii) In-home services authorized and approved by the Department of Hu-  
10 man Services; and

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

13 “(P) Nontaxable dividends.

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

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

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

19 “(b) Adjusted gross income shall be increased due to the disallowance of  
20 the following deductions:

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

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

25 “(C) The amount of the net loss, in excess of \$1,000, from all operations  
26 of a trade or business, profession or other activity entered into for the pro-  
27 duction or collection of income.

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

30 “(E) The amount of any net operating loss carryovers or carrybacks in-

1 cluded in federal adjusted gross income.

2 “(F) The amount, in excess of \$5,000, of the combined deductions or other  
3 allowances for depreciation, amortization or depletion.

4 “(G) The amount added or subtracted, as required within the context of  
5 this section, for adjustments made under ORS 316.680 (2)(d) and 316.707 to  
6 316.737.

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

8 “(A) Any governmental grant that must be used by the taxpayer for re-  
9 habilitation of the homestead of the taxpayer.

10 “(B) The amount of any payments made pursuant to ORS 310.630 to  
11 310.706.

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

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

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

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

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

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

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

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

21 On page 15, after line 14, insert:

22 “(3) ‘Income’ means ‘adjusted gross income’ as defined in the federal  
23 Internal Revenue Code, as amended and in effect on December 31, 2014, even  
24 when the amendments take effect or become operative after that date, relat-  
25 ing to the measurement of taxable income of individuals, estates and trusts,  
26 with the following modifications:

27 “(a) There shall be added to adjusted gross income the following items  
28 of otherwise exempt income:

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

- 1 “(B) Child support received by the taxpayer.
- 2 “(C) Inheritances.
- 3 “(D) Gifts and grants, the sum of which are in excess of \$500 per year.
- 4 “(E) Amounts received by a taxpayer or spouse of a taxpayer for support  
5 from a parent who is not a member of the taxpayer’s household.
- 6 “(F) Life insurance proceeds.
- 7 “(G) Accident and health insurance proceeds, except reimbursement of  
8 incurred medical expenses.
- 9 “(H) Personal injury damages.
- 10 “(I) Sick pay that is not included in federal adjusted gross income.
- 11 “(J) Strike benefits excluded from federal gross income.
- 12 “(K) Worker’s compensation, except for reimbursement of medical ex-  
13 pense.
- 14 “(L) Military pay and benefits.
- 15 “(M) Veteran’s benefits.
- 16 “(N) Payments received under the federal Social Security Act that are  
17 excluded from federal gross income.
- 18 “(O) Welfare payments, except as follows:
- 19 “(i) Payments for medical care, drugs and medical supplies, if the pay-  
20 ments are not made directly to the welfare recipient;
- 21 “(ii) In-home services authorized and approved by the Department of Hu-  
22 man Services; and
- 23 “(iii) Direct or indirect reimbursement of expenses paid or incurred for  
24 participation in work or training programs.
- 25 “(P) Nontaxable dividends.
- 26 “(Q) Nontaxable interest not included in federal adjusted gross income.
- 27 “(R) Rental allowance paid to a minister that is excluded from federal  
28 gross income.
- 29 “(S) Income from sources without the United States that is excluded from  
30 federal gross income.

1       “(b) Adjusted gross income shall be increased due to the disallowance of  
2 the following deductions:

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

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

7       “(C) The amount of the net loss, in excess of \$1,000, from all operations  
8 of a trade or business, profession or other activity entered into for the pro-  
9 duction or collection of income.

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

12       “(E) The amount of any net operating loss carryovers or carrybacks in-  
13 cluded in federal adjusted gross income.

14       “(F) The amount, in excess of \$5,000, of the combined deductions or other  
15 allowances for depreciation, amortization or depletion.

16       “(G) The amount added or subtracted, as required within the context of  
17 this section, for adjustments made under ORS 316.680 (2)(d) and 316.707 to  
18 316.737.

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

20       “(A) Any governmental grant that must be used by the taxpayer for re-  
21 habilitation of the homestead of the taxpayer.

22       “(B) The amount of any payments made pursuant to ORS 310.630 to  
23 310.706.

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

26       In line 15, delete “(3)” and insert “(4)”.

27       After line 45, insert:

28       “(c) ‘Income’ means ‘adjusted gross income’ as defined in the federal  
29 Internal Revenue Code, as amended and in effect on December 31, 2014, even  
30 when the amendments take effect or become operative after that date, relat-

1 ing to the measurement of taxable income of individuals, estates and trusts,  
2 with the following modifications:

3 “(A) There shall be added to adjusted gross income the following items  
4 of otherwise exempt income:

5 “(i) The gross amount of any otherwise exempt pension less return of in-  
6 vestment, if any.

7 “(ii) Child support received by the taxpayer.

8 “(iii) Inheritances.

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

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

12 “(vi) Life insurance proceeds.

13 “(vii) Accident and health insurance proceeds, except reimbursement of  
14 incurred medical expenses.

15 “(viii) Personal injury damages.

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

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

18 “(xi) Worker’s compensation, except for reimbursement of medical ex-  
19 pense.

20 “(xii) Military pay and benefits.

21 “(xiii) Veteran’s benefits.

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

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

25 “(I) Payments for medical care, drugs and medical supplies, if the pay-  
26 ments are not made directly to the welfare recipient;

27 “(II) In-home services authorized and approved by the Department of Hu-  
28 man Services; and

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

1       “(xvi) Nontaxable dividends.

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

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

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

7       “(B) Adjusted gross income shall be increased due to the disallowance of  
8 the following deductions:

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

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

13       “(iii) The amount of the net loss, in excess of \$1,000, from all operations  
14 of a trade or business, profession or other activity entered into for the pro-  
15 duction or collection of income.

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

18       “(v) The amount of any net operating loss carryovers or carrybacks in-  
19 cluded in federal adjusted gross income.

20       “(vi) The amount, in excess of \$5,000, of the combined deductions or other  
21 allowances for depreciation, amortization or depletion.

22       “(vii) The amount added or subtracted, as required within the context of  
23 this section, for adjustments made under ORS 316.680 (2)(d) and 316.707 to  
24 316.737.

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

26       “(i) Any governmental grant that must be used by the taxpayer for reha-  
27 bilitation of the homestead of the taxpayer.

28       “(ii) The amount of any payments made pursuant to ORS 310.630 to  
29 310.706.

30       “(iii) Any refund of Oregon personal income taxes that were imposed un-

1 der ORS chapter 316.”.

2 On page 16, line 1, delete “(c)” and insert “(d)”.

3 In line 13, delete “(d)” and insert “(e)”.

4 In line 31, delete “(e)” and insert “(f)”.

5 On page 27, line 5, delete “2013” and insert “2014”.

6 In line 23, delete “January” and insert “July”.

7 Delete lines 29 through 35.

8 In line 39, delete “31” and insert “30”.

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