

**PROPOSED AMENDMENTS TO  
SENATE BILL 610**

1 On page 1 of the printed bill, line 2, after “rate;” delete the rest of the  
2 line and insert “creating new provisions; and amending ORS 314.752, 318.031  
3 and 653.025.”.

4 Delete lines 29 and 30 and delete page 2 and insert:

5 **“SECTION 2. Section 3 of this 2015 Act is added to and made a part  
6 of ORS chapter 315.**

7 **“SECTION 3. (1) A credit against taxes that are otherwise due under  
8 ORS chapter 316 or, if the taxpayer is a corporation, under ORS  
9 chapter 317 or 318 is allowed to a taxpayer for any increase to the  
10 minimum wage as established under ORS 653.025 after December 31,  
11 2015. The amount of the credit in any one tax year is computed by  
12 calculating the hours worked each month by employees of the tax-  
13 payer who earn the minimum wage multiplied by the difference be-  
14 tween the minimum wage established under ORS 653.025 at the close  
15 of that month and \$9.10.**

16 **“(2) A taxpayer may qualify for the credit allowed under this section  
17 if the taxpayer pays its employees in accordance with all applicable  
18 federal, state and local laws.**

19 **“(3) If the amount allowable as a credit under this section, when  
20 added to the sum of the amount of estimated tax paid under ORS  
21 314.515 and any other tax prepayment amounts, exceeds the taxes im-  
22 posed by ORS chapters 314 and 317 for the tax year (reduced by any**

1 **nonrefundable credits allowable for purposes of ORS chapter 317 for**  
2 **the tax year), the amount of the excess shall be refunded to the tax-**  
3 **payer as provided in ORS 314.415.**

4 **“(4) A nonresident shall be allowed the credit under this section.**  
5 **The credit shall be computed in the same manner and be subject to**  
6 **the same limitations as the credit granted to a resident.**

7 **“(5) If a change in the taxable year of the taxpayer occurs as de-**  
8 **scribed in ORS 314.085, or if the Department of Revenue terminates the**  
9 **taxpayer’s taxable year under ORS 314.440, the credit allowed by this**  
10 **section shall be prorated or computed in a manner consistent with**  
11 **ORS 314.085.**

12 **“(6) If a change in the status of a taxpayer from resident to non-**  
13 **resident or from nonresident to resident occurs, the credit allowed by**  
14 **this section shall be determined in a manner consistent with ORS**  
15 **316.117.**

16 **“SECTION 4.** ORS 314.752 is amended to read:

17 **“314.752. (1) Except as provided in ORS 314.740 (5)(b), the tax credits al-**  
18 **lowed or allowable to a C corporation for purposes of ORS chapter 317 or**  
19 **318 shall not be allowed to an S corporation. The business tax credits al-**  
20 **lowed or allowable for purposes of ORS chapter 316 shall be allowed or are**  
21 **allowable to the shareholders of the S corporation.**

22 **“(2) In determining the tax imposed under ORS chapter 316, as provided**  
23 **under ORS 314.734, on income of the shareholder of an S corporation, there**  
24 **shall be taken into account the shareholder’s pro rata share of business tax**  
25 **credit (or item thereof) that would be allowed to the corporation (but for**  
26 **subsection (1) of this section) or recapture or recovery thereof. The credit (or**  
27 **item thereof), recapture or recovery shall be passed through to shareholders**  
28 **in pro rata shares as determined in the manner prescribed under section**  
29 **1377(a) of the Internal Revenue Code.**

30 **“(3) The character of any item included in a shareholder’s pro rata share**

1 under subsection (2) of this section shall be determined as if such item were  
2 realized directly from the source from which realized by the corporation, or  
3 incurred in the same manner as incurred by the corporation.

4 “(4) If the shareholder is a nonresident and there is a requirement appli-  
5 cable for the business tax credit that in the case of a nonresident the credit  
6 be allowed in the proportion provided in ORS 316.117, then that provision  
7 shall apply to the nonresident shareholder.

8 “(5) As used in this section, ‘business tax credit’ means a tax credit  
9 granted to personal income taxpayers to encourage certain investment, to  
10 create employment, economic opportunity or incentive or for charitable, ed-  
11 ucational, scientific, literary or public purposes that is listed under this  
12 subsection as a business tax credit or is designated as a business tax credit  
13 by law or by the Department of Revenue by rule and includes but is not  
14 limited to the following credits: ORS 285C.309 (tribal taxes on reservation  
15 enterprise zones and reservation partnership zones), ORS 315.104 (forestation  
16 and reforestation), ORS 315.138 (fish screening, by-pass devices, fishways),  
17 ORS 315.141 (biomass production for biofuel), ORS 315.156 (crop gleaning),  
18 ORS 315.164 and 315.169 (agriculture workforce housing), ORS 315.204 (de-  
19 pendent care assistance), ORS 315.208 (dependent care facilities), ORS 315.213  
20 (contributions for child care), ORS 315.304 (pollution control facility), ORS  
21 315.326 (renewable energy development contributions), ORS 315.331 (energy  
22 conservation projects), ORS 315.336 (transportation projects), ORS 315.341  
23 (renewable energy resource equipment manufacturing facilities), ORS 315.354  
24 and 469B.151 (energy conservation facilities), ORS 315.507 (electronic com-  
25 merce), ORS 315.533 (low income community jobs initiative) and ORS 317.115  
26 (fueling stations necessary to operate an alternative fuel vehicle) **and sec-  
27 tion 3 of this 2015 Act (minimum wage increases).**

28 **“SECTION 5.** ORS 318.031 is amended to read:

29 “318.031. It being the intention of the Legislative Assembly that this  
30 chapter and ORS chapter 317 shall be administered as uniformly as possible

1 (allowance being made for the difference in imposition of the taxes), ORS  
2 305.140 and 305.150, ORS chapter 314 and the following sections are incor-  
3 porated into and made a part of this chapter: ORS 285C.309, 315.104, 315.141,  
4 315.156, 315.204, 315.208, 315.213, 315.304, 315.326, 315.331, 315.336, 315.507 and  
5 315.533 **and section 3 of this 2015 Act** (all only to the extent applicable to  
6 a corporation) and ORS chapter 317.

7 **“SECTION 6. Section 3 of this 2015 Act and the amendments to ORS**  
8 **314.752 and 318.031 by sections 4 and 5 of this 2015 Act apply to tax**  
9 **years beginning on or after January 1, 2016, and before January 1,**  
10 **2020.”.**

11

---