

**PROPOSED AMENDMENTS TO  
HOUSE BILL 2093**

1 In line 2 of the printed bill, after the semicolon insert “creating new  
2 provisions; amending ORS 315.271, 315.521, 316.099, 316.502, 316.758, 317.090,  
3 329A.700, 329A.703, 329A.706, 329A.712, 351.692, 351.697, 353.445 and 458.685  
4 and section 13, chapter 674, Oregon Laws 2001, sections 9 and 11, chapter 765,  
5 Oregon Laws 2007, section 9, chapter 843, Oregon Laws 2007, and sections  
6 25, 27, 38, 39, 42, 49 and 50, chapter 913, Oregon Laws 2009; repealing ORS  
7 329A.709, 329A.715 and 329A.718;”.

8 Delete lines 4 through 10 and insert:

9 **“SECTION 1. Section 2 of this 2015 Act is added to and made a part  
10 of ORS chapter 315.**

11 **“SECTION 2. (1)(a) A credit against the tax otherwise due under  
12 ORS chapter 316 shall be allowed a taxpayer in an amount equal to a  
13 percentage of employment-related expenses allowable pursuant to  
14 section 21 of the Internal Revenue Code, notwithstanding the limita-  
15 tion imposed by section 26 of the Internal Revenue Code, and limited  
16 as provided in paragraph (b) of this subsection.**

17 **“(b) The employment-related expenses for which a credit is claimed  
18 under this section may not exceed \$12,000 for a taxpayer for which  
19 there is one qualifying individual, or \$24,000 for a taxpayer for which  
20 there are two or more qualifying individuals.**

21 **“(2) The applicable percentage described in subsection (1) of this  
22 section shall be determined on the basis of the greater of Oregon ad-**

1 **justed gross income or federal adjusted gross income, as reflected on**  
 2 **the federal return, whether or not a joint return, of the taxpayer for**  
 3 **the tax year, expressed as a percentage of the federal poverty level**  
 4 **adjusted for family size, in accordance with the following table:**

5 “ \_\_\_\_\_  
 6 **Federal or Oregon Adjusted**  
 7 **Gross Income as                      Applicable percentage based on age of youngest child**  
 8 **Percentage of Federal              at close of tax year**  
 9 **Poverty Level**  
 10 “ \_\_\_\_\_

				At least 6 years but less than At least 3 years	At least 13, or at least 13 but less than 18 if disabled	18 years or older if disabled
Greater than	Less than or equal to	Under 3 years	Under 3 years	but less than 6	than 18 if disabled	older if disabled
17	0%	10%	10%	8%	5%	5%
18	10%	20%	20%	18%	15%	5%
19	20%	30%	30%	28%	25%	10%
20	30%	40%	40%	38%	35%	20%
21	40%	50%	50%	48%	45%	30%
22	50%	60%	55%	53%	50%	35%
23	60%	70%	60%	58%	55%	40%
24	70%	80%	65%	63%	60%	45%
25	80%	90%	70%	68%	65%	50%
26	90%	110%	75%	73%	70%	55%
27	110%	120%	70%	68%	65%	50%
28	120%	130%	65%	63%	60%	45%
29	130%	140%	59%	57%	54%	39%
30	140%	150%	53%	51%	48%	33%

1	150%	190%	50%	48%	45%	30%
2	190%	210%	45%	43%	40%	25%
3	210%	220%	40%	38%	35%	20%
4	220%	230%	35%	33%	30%	15%
5	230%	240%	30%	28%	25%	10%
6	240%	250%	20%	18%	15%	5%
7	250%	260%	10%	8%	5%	5%
8	260%	280%	6%	6%	4%	4%
9	280%	300%	4%	4%	4%	4%
10	300%	-	0%	0%	0%	0%

11 “  
12 \_\_\_\_\_  
13 **“(3) The applicable percentage for a household in excess of eight**  
14 **members shall be calculated as if for a household size of eight mem-**  
15 **bers.**

16 **“(4) The credit under this section is not allowed to a taxpayer with**  
17 **federal adjusted gross income in excess of 300 percent of the federal**  
18 **poverty level.**

19 **“(5) In order to ensure compliance with the eligibility requirements**  
20 **of the credit allowed under this section, the Department of Revenue**  
21 **shall be afforded access to utilization data maintained by the Depart-**  
22 **ment of Human Services in its administration of the Employment Re-**  
23 **lated Day Care program.**

24 **“(6) The Director of the Department of Revenue may assess a pen-**  
25 **alty in an amount not to exceed \$\_\_\_\_\_ against any taxpayer who**  
26 **knowingly claims or attempts to claim any amount of credit under this**  
27 **section for which the taxpayer is ineligible, or against any individual**  
28 **who knowingly assists another individual in claiming any amount of**  
29 **credit for which the individual is ineligible.**

30 **“(7) A nonresident individual shall be allowed the credit computed**  
**in the same manner and subject to the same limitations as the credit**

1 allowed a resident by subsection (1) of this section. However, the  
2 credit shall be prorated using the proportion provided in ORS 316.117.

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

8 “(9) If a change in the status of a taxpayer from resident to non-  
9 resident or from nonresident to resident occurs, the credit allowed by  
10 this section shall be determined in a manner consistent with ORS  
11 316.117.

12 “(10) If the amount allowable as a credit under this section, when  
13 added to the sum of the amounts allowable as payment of tax under  
14 ORS 316.187 or 316.583, other tax prepayment amounts and other  
15 refundable credit amounts, exceeds the taxes imposed by ORS chapters  
16 314 and 316 for the tax year after application of any nonrefundable  
17 credits allowable for purposes of ORS chapter 316 for the tax year, the  
18 amount of the excess shall be refunded to the taxpayer as provided in  
19 ORS 316.502.

20 “**SECTION 3.** ORS 316.502 is amended to read:

21 “316.502. (1) The net revenue from the tax imposed by this chapter, after  
22 deducting refunds and amounts described in ORS 285B.630 and 285C.635, shall  
23 be paid over to the State Treasurer and held in the General Fund as mis-  
24 cellaneous receipts available generally to meet any expense or obligation of  
25 the State of Oregon lawfully incurred.

26 “(2) A working balance of unreceipted revenue from the tax imposed by  
27 this chapter may be retained for the payment of refunds, but such working  
28 balance shall not at the close of any fiscal year exceed the sum of \$1 million.

29 “(3) Moneys are continuously appropriated to the Department of Revenue  
30 to make:

1 “(a) The refunds authorized under subsection (2) of this section; and

2 “(b) The refund payments in excess of tax liability authorized under ORS  
3 315.174, 315.262 and 315.266 and section 17, chapter 906, Oregon Laws 2007,  
4 **and section 2 of this 2015 Act.**

5 **“SECTION 4. Section 2 of this 2015 Act applies to tax years begin-**  
6 **ning on or after January 1, 2016, and before January 1, 2022.**

7 **“SECTION 5.** ORS 458.685 is amended to read:

8 “458.685. (1) A person may establish an individual development account  
9 only for a purpose approved by a fiduciary organization. Purposes that the  
10 fiduciary organization may approve are:

11 “(a) The acquisition of post-secondary education or job training.

12 “(b) If the account holder has established the account for the benefit of  
13 a household member who is under the age of 18 years, the payment of ex-  
14 tracurricular nontuition expenses designed to prepare the member for post-  
15 secondary education or job training.

16 “(c) If the account holder has established a college savings network ac-  
17 count under ORS 348.841 to 348.873 on behalf of a designated beneficiary, the  
18 establishment of an additional college savings network account on behalf of  
19 the same designated beneficiary.

20 “(d) The purchase of a primary residence. In addition to payment on the  
21 purchase price of the residence, account moneys may be used to pay any  
22 usual or reasonable settlement, financing or other closing costs. The account  
23 holder must not have owned or held any interest in a residence during the  
24 three years prior to making the purchase. However, this three-year period  
25 shall not apply to displaced homemakers, [or] other individuals who have  
26 lost home ownership as a result of divorce **or owners of manufactured**  
27 **homes.**

28 **“(e) The rental of a primary residence when housing stability is**  
29 **essential to achieve state policy goals. Account moneys may be used**  
30 **for security deposits, first and last months’ rent, application fees and**

1 **other expenses necessary to move into the primary residence, as**  
2 **specified in the account holder's personal development plan for in-**  
3 **creasing the independence of the person.**

4 “[(e)] (f) The capitalization of a small business. Account moneys may be  
5 used for capital, plant, equipment and inventory expenses **and to hire em-**  
6 **ployees upon capitalization of the small business**, or for working capital  
7 pursuant to a business plan. The business plan must have been developed by  
8 a financial institution, nonprofit microenterprise program or other qualified  
9 agent demonstrating business expertise and have been approved by the  
10 fiduciary organization. The business plan must include a description of the  
11 services or goods to be sold, a marketing plan and projected financial state-  
12 ments.

13 “[(f)] (g) Improvements, repairs or modifications necessary to make or  
14 keep the account holder's primary dwelling habitable, accessible or visitable  
15 for the account holder or a household member. This paragraph does not apply  
16 to improvements, repairs or modifications made to a rented primary dwelling  
17 to achieve or maintain a habitable condition for which ORS 90.320 (1) places  
18 responsibility on the landlord. As used in this paragraph, ‘accessible’ and  
19 ‘visitable’ have the meanings given those terms in ORS 456.508.

20 “[(g)] (h) The purchase of equipment, technology or specialized training  
21 required to become competitive in obtaining or maintaining employment or  
22 to start or maintain a business, as specified in the account holder's personal  
23 development plan for increasing the independence of the person.

24 “(i) **The purchase or repair of a vehicle, as specified in the account**  
25 **holder's personal development plan for increasing the independence**  
26 **of the person.**

27 “(j) **The saving of funds for retirement, as specified in the account**  
28 **holder's personal development plan for increasing the independence**  
29 **of the person.**

30 “(k) **The payment of debts owed for educational or medical purposes**

1 **when the account holder is saving for another allowable purpose, as**  
2 **specified in the account holder’s personal development plan for in-**  
3 **creasing the independence of the person.**

4 **“(L) The creation or improvement of a credit score by obtaining a**  
5 **secured loan or a financial product that is designed to improve credit,**  
6 **as specified in the account holder’s personal development plan for in-**  
7 **creasing the independence of the person.**

8 **“(m) The replacement of a primary residence when replacement**  
9 **offers significant opportunity to improve habitability or energy effi-**  
10 **ciency.**

11 **“(2)(a) If an emergency occurs, an account holder may withdraw all or**  
12 **part of the account holder’s deposits to an individual development account**  
13 **for a purpose not described in subsection (1) of this section. As used in this**  
14 **paragraph, an emergency includes making payments for necessary medical**  
15 **expenses, to avoid eviction of the account holder from the account holder’s**  
16 **residence and for necessary living expenses following a loss of employment.**

17 **“(b) The account holder must reimburse the account for the amount**  
18 **withdrawn under this subsection within 12 months after the date of the**  
19 **withdrawal. Failure of an account holder to make a timely reimbursement**  
20 **to the account is grounds for removing the account holder from the individ-**  
21 **ual development account program. Until the reimbursement has been made**  
22 **in full, an account holder may not withdraw any matching deposits or ac-**  
23 **crued interest on matching deposits from the account.**

24 **“(3) If an account holder withdraws moneys from an individual develop-**  
25 **ment account for other than an approved purpose, the fiduciary organization**  
26 **may remove the account holder from the program.**

27 **“(4)(a) If the account holder of an account established for the pur-**  
28 **pose set forth in subsection (1)(j) of this section has achieved the**  
29 **account’s approved purpose in accordance with the personal develop-**  
30 **ment plan developed by the account holder under ORS 458.680, the**

1 **account holder may withdraw, or authorize the withdrawal of, the re-**  
2 **maining amount of all deposits, including matching deposits, and in-**  
3 **terest in the account by rolling over the entire withdrawal amount**  
4 **into an individual retirement account, a retirement plan or a similar**  
5 **account or plan established under the Internal Revenue laws of the**  
6 **United States.**

7 **“(b) Upon withdrawal of all moneys in the individual development**  
8 **account as provided in paragraph (a) of this subsection, the account**  
9 **relationship shall terminate.**

10 **“(c) Any amount that has been subtracted on the taxpayer’s federal**  
11 **return pursuant to section 219 of the Internal Revenue Code shall be**  
12 **added back in the determination of taxable income.**

13 **“[(4)] (5) If an account holder moves from the area where the program is**  
14 **conducted or is otherwise unable to continue in the program, the fiduciary**  
15 **organization may remove the account holder from the program.**

16 **“[(5)] (6) If an account holder is removed from the program under sub-**  
17 **section (2), (3) or [(4)] (5) of this section, all matching deposits in the ac-**  
18 **count and all interest earned on matching deposits shall revert to the**  
19 **fiduciary organization. The fiduciary organization shall use the reverted**  
20 **funds as a source of matching deposits for other accounts.**

21 **“SECTION 6. Section 9, chapter 765, Oregon Laws 2007, is amended to**  
22 **read:**

23 **“Sec. 9. ORS 315.271 and 458.690 are repealed on [January 2, 2016] Jan-**  
24 **uary 2, 2022.**

25 **“SECTION 7. Section 11, chapter 765, Oregon Laws 2007, is amended to**  
26 **read:**

27 **“Sec. 11. The amendments to ORS 458.700 by section 10, **chapter 765,****  
28 **Oregon Laws 2007, [of this 2007 Act] become operative on [January 2,**  
29 **2016] January 2, 2022.**

30 **“SECTION 8. ORS 315.271 is amended to read:**



1       “315.271. (1) A credit against taxes otherwise due under ORS chapter 316,  
2 317 or 318 shall be allowed for donations to a fiduciary organization for  
3 distribution to individual development accounts established under ORS  
4 458.685. The credit shall equal the lesser of \$75,000 or 75 percent of the do-  
5 nation amount. To qualify for a credit under this section, donations to a  
6 fiduciary organization must be made prior to January 1, [2016] **2022**.

7       “(2) If a credit allowed under this section is claimed, the amount upon  
8 which the credit is based that is allowed or allowable as a deduction from  
9 federal taxable income under section 170 of the Internal Revenue Code shall  
10 be added to federal taxable income in determining Oregon taxable income.  
11 As used in this subsection, the amount upon which a credit is based is the  
12 allowed credit divided by 75 percent.

13       “(3) The allowable tax credit that may be used in any one tax year shall  
14 not exceed the tax liability of the taxpayer.

15       “(4) Any tax credit otherwise allowable under this section that is not used  
16 by the taxpayer in a particular year may be carried forward and offset  
17 against the taxpayer’s tax liability for the next succeeding tax year. Any tax  
18 credit remaining unused in the next succeeding tax year may be carried  
19 forward and used in the second succeeding tax year. Any tax credit not used  
20 in the second succeeding tax year may be carried forward and used in the  
21 third succeeding tax year, but may not be carried forward for any tax year  
22 thereafter.

23       “**SECTION 9.** Section 49, chapter 913, Oregon Laws 2009, is amended to  
24 read:

25       “**Sec. 49.** A credit may not be claimed under ORS 315.272 for tax years  
26 beginning on or after January 1, [2016] **2022**.

27       “**SECTION 10.** Section 9, chapter 843, Oregon Laws 2007, as amended by  
28 section 52, chapter 913, Oregon Laws 2009, is amended to read:

29       “**Sec. 9.** (1) ORS 315.624 applies to tax years beginning on or after Janu-  
30 ary 1, 2008, and before January 1, [2016] **2022**.

1 “(2) The amendments to ORS 316.680 by section 2, chapter 843, Oregon  
2 Laws 2007, apply to tax years beginning on or after January 1, 2008, and  
3 before January 1, 2012.

4 **“SECTION 11.** Section 50, chapter 913, Oregon Laws 2009, is amended to  
5 read:

6 **“Sec. 50.** ORS 734.835 does not apply to tax years beginning on or after  
7 January 1, [2016] **2022.**

8 **“SECTION 12.** Section 42, chapter 913, Oregon Laws 2009, is amended to  
9 read:

10 **“Sec. 42.** A credit may not be claimed under ORS 316.758 for tax years  
11 beginning on or after January 1, [2016] **2022.**

12 **“SECTION 13.** ORS 316.758, as amended by section 9, chapter 114, Oregon  
13 Laws 2014, is amended to read:

14 “316.758. (1) In addition to the personal exemption credit allowed by this  
15 chapter for state personal income tax purposes, there shall be allowed an  
16 additional personal exemption credit for the taxpayer if the taxpayer:

17 **“(a)** Has a severe disability at the close of the taxable year[.]; **and**

18 **“(b) Has adjusted gross income, as reported on any type of return,  
19 that does not exceed \$100,000 for the tax year.**

20 **“(2)** The amount of the credit *[allowed for the tax year shall be calculated*  
21 *as provided in ORS 316.085, except that the amount may not be reduced on the*  
22 *basis of income under ORS 316.085 (5)] **shall be equal to the amount al-***

23 **lowed as the personal exemption credit for the taxpayer for state per-**

24 **sonal income tax purposes for the tax year.**

25 **“SECTION 14.** Section 39, chapter 913, Oregon Laws 2009, is amended to  
26 read:

27 **“Sec. 39.** A credit may not be claimed under ORS 316.099 for tax years  
28 beginning on or after January 1, [2016] **2022.**

29 **“SECTION 15.** ORS 316.099, as amended by section 8, chapter 114, Oregon  
30 Laws 2014, is amended to read:

1 “316.099. (1) As used in this section, unless the context requires otherwise:

2 “(a) ‘Child with a disability’ means a qualifying child under section 152  
3 of the Internal Revenue Code who has been determined eligible for early  
4 intervention services or is diagnosed for the purposes of special education  
5 as being mentally retarded, multidisabled, visually impaired, hard of hearing,  
6 deaf-blind, orthopedically impaired or other health impaired or as having  
7 autism, emotional disturbance or traumatic brain injury, in accordance with  
8 State Board of Education rules.

9 “(b) ‘Early intervention services’ means programs of treatment and ha-  
10 bilitation designed to address a child’s developmental deficits in sensory,  
11 motor, communication, self-help and socialization areas.

12 “(c) ‘Special education’ means specially designed instruction to meet the  
13 unique needs of a child with a disability, including regular classroom in-  
14 struction, instruction in physical education, home instruction and instruc-  
15 tion in hospitals, institutions and special schools.

16 “(2) The State Board of Education shall adopt rules further defining ‘child  
17 with a disability’ for purposes of this section. A diagnosis obtained for the  
18 purposes of entitlement to special education or early intervention services  
19 shall serve as the basis for a claim for the additional credit allowed under  
20 subsection (3) of this section.

21 “(3) In addition to the personal exemption credit allowed by this chapter  
22 for state personal income tax purposes for a dependent of the taxpayer, **for**  
23 **a taxpayer with adjusted gross income that does not exceed \$100,000**  
24 **on any type of return**, there shall be allowed an additional personal ex-  
25 emption credit for a child with a disability if the child is a child with a  
26 disability at the close of the tax year. The amount of the credit allowed for  
27 the dependent for the tax year shall be calculated as provided in ORS  
28 316.085[, *except that the amount may not be reduced on the basis of income*  
29 *under ORS 316.085 (5)*].

30 “(4) Each taxpayer qualifying for the additional personal exemption credit

1 allowed by this section may claim the credit on the personal income tax re-  
2 turn. However, the claim shall be substantiated by any proof of entitlement  
3 to the credit as may be required by the state board by rule.

4 **“SECTION 16.** Section 25, chapter 913, Oregon Laws 2009, as amended  
5 by section 10, chapter 750, Oregon Laws 2013, is amended to read:

6 **“Sec. 25.** (1) Except as provided in subsection (2) of this section, a credit  
7 may not be claimed under ORS 315.613 for tax years beginning on or after  
8 January 1, [2016] **2018**.

9 **“(2)** A taxpayer who meets the eligibility requirements in ORS 315.613 for  
10 the tax year beginning on or after January 1, [2013] **2017**, and before January  
11 1, [2014] **2018**, shall be allowed the credit under ORS 315.613 for any tax year:

12 **“(a)** That begins on or before January 1, [2023] **2027**; and

13 **“(b)** For which the taxpayer meets the eligibility requirements of ORS  
14 315.613.

15 **“SECTION 17.** Section 27, chapter 913, Oregon Laws 2009, as amended  
16 by section 43, chapter 750, Oregon Laws 2013, is amended to read:

17 **“Sec. 27.** A credit may not be claimed under ORS 315.521 if the initial tax  
18 year in which the credit would otherwise be allowed begins on or after  
19 January 1, [2016] **2024**.

20 **“SECTION 18.** ORS 315.521 is amended to read:

21 **“315.521.** (1) There shall be allowed a credit against the taxes that are  
22 otherwise due under ORS chapter 316 or, if the taxpayer is a corporation,  
23 under ORS chapter 317 or 318, [for] **based on** amounts contributed to a  
24 university venture development fund established under ORS 351.697, to the  
25 extent the university that established the fund issued a tax credit certificate  
26 to the taxpayer.

27 **“(2)** The total amount of the credit allowed to a taxpayer **may not exceed**  
28 **the lesser of \$600,000, or 60 percent of the amount contributed in the**  
29 **tax year.** [shall equal 60 percent of the amount stated on the tax credit cer-  
30 tificate. Except as provided in subsection (3) of this section, the amount of the

1 *credit allowed in any one tax year shall equal 20 percent of the amount actu-*  
2 *ally contributed to the fund. The credit shall be claimed in three consecutive*  
3 *tax years beginning with the year in which the credit is initially allowed.]*

4 “[(3) *The credit allowed under this section may not exceed \$50,000 or the*  
5 *tax liability of the taxpayer for the tax year.*]

6 “(3) **Any tax credit otherwise allowable under this section that is**  
7 **not used by the taxpayer in a particular year may be carried forward**  
8 **and offset against the taxpayer’s tax liability for the next succeeding**  
9 **tax year. Any credit remaining unused in such next succeeding tax**  
10 **year may be carried forward and used in the second succeeding tax**  
11 **year, and likewise, any credit not used in that second succeeding tax**  
12 **year may be carried forward and used in the third succeeding tax year,**  
13 **but may not be carried forward for any tax year thereafter.**

14 “(4) In the case of a credit allowed under this section for purposes of ORS  
15 chapter 316:

16 “(a) A nonresident shall be allowed the credit in the same manner and  
17 subject to the same limitations as a resident. However, the credit shall be  
18 prorated using the proportion provided in ORS 316.117.

19 “(b) If a change in the tax year of a taxpayer occurs as described in ORS  
20 314.085 or if the Department of Revenue terminates the taxpayer’s tax year  
21 under ORS 314.440, the credit shall be prorated or computed in a manner  
22 consistent with ORS 314.085.

23 “(c) If a change in the status of a taxpayer from resident to nonresident  
24 or from nonresident to resident occurs, the credit shall be determined in a  
25 manner consistent with ORS 316.117.

26 “(5) A taxpayer claiming a credit under this section shall add to federal  
27 taxable income for Oregon tax purposes any amount that is deducted for  
28 federal tax purposes and that also serves as the basis for the credit allowed  
29 under this section.

30 “**SECTION 19.** ORS 351.692 is amended to read:

1 “351.692. (1) The State Board of Higher Education shall adopt policies  
2 that prescribe the requirements for a venture grant program and the re-  
3 quirements that a grant applicant must meet in order to receive grant mon-  
4 eys from a university venture development fund, including requirements:

5 “(a) That a grant recipient remain within this state for at least five years  
6 following the receipt of a grant or repay the grant plus interest;

7 “(b) That each university that establishes a university venture develop-  
8 ment fund report amounts of tax credit certificates issued by the university  
9 and maintain records of income realized by the university as the result of  
10 grants made from the fund and records of amounts paid to the General Fund;  
11 and

12 “(c) Under which the Oregon University System is to maintain records  
13 and issue directions to universities that have established university venture  
14 development funds relating to when universities must cease issuing certifi-  
15 cates, in order to ensure that the total amount owed [*by the public univer-*  
16 *sities listed in ORS 352.002*] to the General Fund at any one time under ORS  
17 351.697 (6) does not exceed [~~\$6~~] **\$15** million.

18 “(2) The governing board of a public university with a governing board  
19 listed in ORS 352.054 shall adopt a policy that prescribes the requirements  
20 for a venture grant program and the requirements that a grant applicant  
21 must meet in order to receive grant moneys from the university venture de-  
22 velopment fund operated by the university, including requirements:

23 “(a) That a grant recipient remain within this state for at least five years  
24 following the receipt of a grant or repay the grant plus interest;

25 “(b) That the university report amounts of tax credit certificates issued  
26 by the university and cease issuing certificates until the total amount owed  
27 [*by the public universities listed in ORS 352.002*] to the General Fund at any  
28 one time under ORS 351.697 (6) does not exceed [~~\$6~~] **\$15** million; and

29 “(c) That the university maintain records of income realized by the uni-  
30 versity as the result of grants made from the fund and records of amounts

1 paid to the General Fund.

2 **“SECTION 20.** ORS 353.445 is amended to read:

3 “353.445. The Oregon Health and Science University Board of Directors  
4 shall adopt a policy that prescribes the requirements for a venture grant  
5 program and the requirements that a grant applicant must meet in order to  
6 receive grant moneys from the university venture development fund operated  
7 by Oregon Health and Science University, including requirements:

8 “(1) That a grant recipient remain within this state for at least five years  
9 following the receipt of a grant or repay the grant plus interest;

10 “(2) That the university report amounts of tax credit certificates issued  
11 by the university and cease issuing certificates until the total amount owed  
12 to the General Fund [*by the university*] at any one time under ORS 351.697  
13 (6) does not exceed [~~\$2.4~~] **\$15** million; and

14 “(3) That the university maintain records of income realized by the uni-  
15 versity as the result of grants made from the fund and records of amounts  
16 paid to the General Fund.

17 **“SECTION 21.** ORS 351.697 is amended to read:

18 “351.697. (1) Each university listed in ORS 352.002 and Oregon Health and  
19 Science University may elect to establish a university venture development  
20 fund as provided in this section for the purpose of facilitating the  
21 commercialization of university research and development. A university shall  
22 direct that the university venture development fund be administered, in  
23 whole or in part, by the university or by the university’s affiliated founda-  
24 tion.

25 “(2) The purposes of a university venture development fund are to provide:

26 “(a) Capital for university entrepreneurial programs;

27 “(b) Opportunities for students to gain experience in applying research to  
28 commercial activities;

29 “(c) Proof-of-concept funding for transforming research and development  
30 concepts into commercially viable products and services; **and**

1 “(d) Entrepreneurial opportunities for persons interested in transforming  
2 research into viable commercial ventures that create jobs in this state[;  
3 *and*].

4 “[*e*) Tax credits for contributors to university research commercialization  
5 activities.]

6 “(3) Each university that elects to establish a university venture devel-  
7 opment fund shall:

8 “(a) Notify the Department of Revenue of the establishment of the fund;

9 “(b) Either directly or through its affiliated foundation, solicit contribu-  
10 tions to the fund and receive, manage and disburse moneys contributed to  
11 the fund;

12 “(c) Subject to ORS 315.521 [(1)], 351.692 and 353.445 [(3)], issue tax credit  
13 certificates to contributors to the fund in the amount of the contributions;

14 “(d) Establish a grant program that meets the requirements for a venture  
15 grant program under policies adopted under ORS 351.692 by the State Board  
16 of Higher Education or the governing board of a public university with a  
17 governing board listed in ORS 352.054 or under policies adopted by the  
18 Oregon Health and Science University Board of Directors under ORS 353.445;  
19 [*and*]

20 “(e) Subject to available moneys from the fund, provide qualified grant  
21 applicants with moneys for the purpose of facilitating the commercialization  
22 of university research and development[.]; **and**

23 “**(f) In collaboration with other universities that have elected to**  
24 **establish a university venture development fund under this section,**  
25 **achieve an annual agreement for the allocation of the contribution**  
26 **limit set out in ORS 351.692 and 353.445.**

27 “(4) Except as provided in subsection (5) of this section, moneys in a  
28 university venture development fund shall be disbursed only as directed by  
29 a university.

30 “(5) A university or its affiliated foundation may charge its customary



1 administrative assessment to manage its university venture development fund  
2 in an amount not to exceed three percent of the fund's average balance  
3 during the fiscal year of the university or its affiliated foundation. The ad-  
4 ministrative assessment may be paid from the assets in the fund. Except as  
5 authorized by law, no other fees or indirect costs shall be charged against  
6 the university venture development fund or any associated grants or other  
7 disbursements from the fund.

8 “(6) A university that has established a university venture development  
9 fund shall monitor the use of grants made from the fund and identify the  
10 income realized by the university as the result of the use of the grants. In-  
11 come consists of cash realized from royalties, milestone and license fee pay-  
12 ments and cash from the sale of equity. The university shall cause the  
13 transfer of 20 percent of the income realized from the grants to the General  
14 Fund, but not to exceed the amount of the tax credits issued by the univer-  
15 sity as a result of contributions to its university venture development fund.  
16 Immediately upon deposit of the transferred amount into the General Fund,  
17 the university may issue new tax credits to equal the transferred amount.

18 “(7) *[A university]* **Not later than September 30 of each year the**  
19 **Higher Education Coordinating Commission shall gather the informa-**  
20 **tion described in this subsection from every university** that has estab-  
21 lished a university venture development fund **and** shall report annually to  
22 the Legislative Assembly or, if the Legislative Assembly is not in session,  
23 to the interim legislative committees on revenue. The report shall *[be at the*  
24 *end of the fiscal year of the university or of its affiliated foundation and]*  
25 provide information for *[that]* **the previous** fiscal year. The *[university]*  
26 **commission** shall include in the report the following information pertaining  
27 to *[its]* university venture development *[fund]* **funds:**

28 “(a) The amount of donations received for the *[fund]* **funds;**

29 “(b) The amount of income received from the *[fund]* **funds;**

30 “(c) The amount of disbursements and grants paid from the *[fund]*

1 **funds;**

2 “(d) The amount of income and royalties received from disbursements  
3 from the [*fund*] **funds**; and

4 “(e) The amount of moneys transferred from the [*fund*] **funds** to the  
5 General Fund.

6 **“SECTION 22.** ORS 329A.700 is amended to read:

7 “329A.700. As used in ORS 329A.700 to 329A.718:

8 “(1) ‘Child care provider’ means a provider, for compensation, of care,  
9 supervision or guidance to a child on a regular basis in a center or in a home  
10 other than the child’s home. ‘Child care provider’ does not include a person  
11 who is the child’s parent, guardian or custodian.

12 “[*(2) ‘Community agency’ means a nonprofit agency that:*]

13 “[*(a) Provides services related to child care, children and families, com-*  
14 *munity development or similar services; and]*

15 “[*(b) Is eligible to receive contributions that qualify as deductions under*  
16 *section 170 of the Internal Revenue Code.]*

17 “[*(3)*] **(2)** ‘High quality child care’ means child care that meets standards  
18 for high quality child care established or approved by the Early Learning  
19 Council.

20 “[*(4)*] **(3)** ‘Qualified contribution’ means a contribution made by a tax-  
21 payer to the Office of Child Care [*or a selected community agency*] for the  
22 purpose of promoting **high quality** child care, and for which the taxpayer  
23 will receive a tax credit certificate under ORS 329A.706.

24 “[*(5)*] **(4)** ‘Tax credit certificate’ means a certificate issued by the Office  
25 of Child Care to a taxpayer to qualify the taxpayer for a tax credit under  
26 ORS 315.213.

27 “[*(6) ‘Tax credit marketer’ means an individual or entity selected by the*  
28 *Office of Child Care to market tax credits to taxpayers.]*

29 **“SECTION 23.** ORS 329A.703 is amended to read:

30 “329A.703. (1) The Office of Child Care, in collaboration with an advisory

1 committee established by the office, shall establish a program to:

2 “(a) Allocate tax credit certificates to taxpayers that make qualified  
3 contributions to the Office of Child Care; and

4 “(b) Distribute to child care providers moneys from qualified contribu-  
5 tions and other contributions.

6 “(2) The purposes of the program are to:

7 “(a) Encourage taxpayers to make contributions to the Office of Child  
8 Care by providing a financial return on qualified contributions and by so-  
9 liciting other contributions.

10 “(b) Achieve specific and measurable goals for targeted communities and  
11 populations.

12 “(c) Set standards for the child care industry concerning the cost of pro-  
13 viding quality, affordable child care.

14 “(d) Strengthen the viability and continuity of child care providers [*while*  
15 *making child care more affordable for low and moderate income families*].

16 “**SECTION 24.** ORS 329A.706 is amended to read:

17 “329A.706. (1) For the purpose of implementing the program established  
18 under ORS 329A.703, the Early Learning Council, in collaboration with an  
19 advisory committee established by the council and the Office of Child Care,  
20 shall:

21 “(a) Adopt rules.

22 “[*(b) Select a tax credit marketer who agrees to market tax credits to tax-*  
23 *payers.*]

24 “[*(c)*] **(b)** Identify child care goals that are consistent with the purposes  
25 provided in ORS 329A.703 (2). The goals identified under this paragraph shall  
26 take into account state resources and needs.

27 “[*(d) Develop by rule the application process an entity must complete to be*  
28 *designated as a community agency under ORS 329A.700 to 329A.718, and any*  
29 *process for the renewal of that designation.*]

30 “[*(e) Select one or more community agencies.*]

1       “(f) Enter into an agreement with each selected community agency to per-  
2 form the functions specified in ORS 329A.715.]

3       “(g) Determine the total value of moneys to be available to each selected  
4 community agency to distribute to providers based on goals identified under  
5 paragraph (c) of this subsection, and distribute those moneys in the manner  
6 provided in ORS 329A.712 to the selected community agencies. The total value  
7 of moneys available to all selected community agencies in this state may not  
8 exceed the amount of contributions received from taxpayers during the tax year  
9 minus any reasonable administrative costs incurred by the Office of Child Care  
10 and the selected community agencies.]

11       “(2) The Early Learning Council may adopt rules that establish a fixed  
12 percentage that is less than 100 percent by which the amount contributed  
13 by a taxpayer will be certified for a tax credit by the Office of Child Care.  
14 The purpose of the grant of rulemaking authority under this subsection is  
15 to permit the Early Learning Council to calibrate the amount of the tax  
16 credit to interpretations of the deductibility of qualified contributions under  
17 section 170 of the Internal Revenue Code for federal tax purposes.

18       “(3)(a) The Office of Child Care shall issue tax credit certificates in the  
19 chronological order in which the contributions are received by the office.  
20 The office shall issue tax credit certificates to contributors until the total  
21 value of all certificates issued by the office for the calendar year equals  
22 ~~[\$500,000]~~ **\$2.5 million**. Each issued certificate shall state the value of the  
23 contribution being certified as eligible for the tax credit allowed under ORS  
24 315.213. Except as provided in rules adopted under subsection (2) of this  
25 section, the certified value shall equal the amount of the contribution.

26       “(b) The Office of Child Care may not issue a tax credit certificate to a  
27 taxpayer to the extent the credit value to be certified, when added to the  
28 total credit value previously certified by the office under paragraph (a) of  
29 this subsection for the calendar year exceeds ~~[\$500,000]~~ **\$2.5 million**.

30       “(c) The Office of Child Care shall send a copy of all tax credit certif-

1 icates issued under this section to the Department of Revenue.

2 “(d) Qualified contributions shall be deposited in the Child Care Fund.

3 “(4) A taxpayer that receives a notice of denial of a tax credit certificate  
4 or that receives a tax credit certificate issued for an amount that is less than  
5 the amount contributed may request a refund for the amount contributed  
6 within 90 days of the denial or issuance of the certificate by the Office of  
7 Child Care. The Office of Child Care must send notice of a denial or  
8 changed amount and refund the amount for which a tax credit will not be  
9 granted within 30 days after receiving the request. The refund shall be made  
10 from the Child Care Fund.

11 “(5) The Early Learning Council may establish by rule any other pro-  
12 visions required to implement the program established under ORS 329A.700  
13 to 329A.718.

14 **“SECTION 25.** ORS 329A.712 is amended to read:

15 “329A.712. (1) The Office of Child Care shall distribute revenues in the  
16 Child Care Fund that are derived from contributions, minus the amounts  
17 needed to make refunds under ORS 329A.706 (4) and to cover expenses of the  
18 Office of Child Care in administering ORS 329A.700 to 329A.718.

19 **“(2) Revenues shall be disbursed to child care providers consistent**  
20 **with rules adopted by the Early Learning Council.**

21 “[2)] **(3)** Distributions shall be made to [*community agencies selected un-*  
22 *der ORS 329A.706*] **child care providers** in the proportion that the Office  
23 of Child Care determines **by rule** best promotes the provision of **high**  
24 **quality** child care in this state.

25 “[3) *Moneys distributed to selected community agencies shall be disbursed*  
26 *to child care providers, consistent with rules adopted by the Early Learning*  
27 *Council relating to the disbursement of moneys by selected community agencies.*  
28 *The council shall consider the factors described in ORS 329A.715 (2)(h) when*  
29 *adopting rules under this subsection.*]

30 **“SECTION 26.** Section 13, chapter 674, Oregon Laws 2001, as amended

1 by section 9, chapter 473, Oregon Laws 2003, section 1, chapter 880, Oregon  
2 Laws 2007, and section 47, chapter 913, Oregon Laws 2009, is amended to  
3 read:

4 “**Sec. 13.** ORS 315.213 applies to tax years beginning on or after January  
5 1, 2002, and before January 1, [2016] **2022.**

6 “**SECTION 27.** ORS 329A.709, 329A.715 and 329A.718 are repealed.

7 “**SECTION 28.** The amendments to ORS 315.521, 316.099, 316.758  
8 329A.700, 329A.703, 329A.706, 329A.712, 351.692, 351.697 and 353.445 by  
9 sections 13, 15 and 18 to 25 of this 2015 Act and the repeal of ORS  
10 329A.709, 329A.715 and 329A.718 by section 27 of this 2015 Act apply to  
11 tax years beginning on or after January 1, 2016.

12 “**SECTION 29.** Section 38, chapter 913, Oregon Laws 2009, is amended to  
13 read:

14 “**Sec. 38.** A credit may not be claimed under ORS 315.610 for tax years  
15 beginning on or after January 1, [2016] **2015.**

16 “**SECTION 30.** ORS 317.090 is amended to read:

17 “317.090. (1) As used in this section:

18 “(a) ‘Oregon sales’ means:

19 “(A) If the corporation apportions business income under ORS 314.650 to  
20 314.665 for Oregon tax purposes, the total sales of the taxpayer in this state  
21 during the tax year, as determined for purposes of ORS 314.665;

22 “(B) If the corporation does not apportion business income for Oregon tax  
23 purposes, the total sales in this state that the taxpayer would have had, as  
24 determined for purposes of ORS 314.665, if the taxpayer were required to  
25 apportion business income for Oregon tax purposes; or

26 “(C) If the corporation apportions business income using a method dif-  
27 ferent from the method prescribed by ORS 314.650 to 314.665, Oregon sales  
28 as defined by the Department of Revenue by rule.

29 “(b) If the corporation is an agricultural cooperative that is a cooperative  
30 organization described in section 1381 of the Internal Revenue Code, ‘Oregon

1 sales' does not include sales representing business done with or for members  
2 of the agricultural cooperative.

3 “(2) Each corporation or affiliated group of corporations filing a return  
4 under ORS 317.710 shall pay annually to the state, for the privilege of car-  
5 rying on or doing business by it within this state, a minimum tax as follows:

6 “(a) If Oregon sales properly reported on a return are:

7 “(A) Less than \$500,000, the minimum tax is \$150.

8 “(B) \$500,000 or more, but less than \$1 million, the minimum tax is \$500.

9 “(C) \$1 million or more, but less than \$2 million, the minimum tax is  
10 \$1,000.

11 “(D) \$2 million or more, but less than \$3 million, the minimum tax is  
12 \$1,500.

13 “(E) \$3 million or more, but less than \$5 million, the minimum tax is  
14 \$2,000.

15 “(F) \$5 million or more, but less than \$7 million, the minimum tax is  
16 \$4,000.

17 “(G) \$7 million or more, but less than \$10 million, the minimum tax is  
18 \$7,500.

19 “(H) \$10 million or more, but less than \$25 million, the minimum tax is  
20 \$15,000.

21 “(I) \$25 million or more, but less than \$50 million, the minimum tax is  
22 \$30,000.

23 “(J) \$50 million or more, but less than \$75 million, the minimum tax is  
24 \$50,000.

25 “(K) \$75 million or more, but less than \$100 million, the minimum tax is  
26 \$75,000.

27 “(L) \$100 million or more, the minimum tax is \$100,000.

28 “(b) If a corporation is an S corporation, the minimum tax is \$150.

29 “(3) The minimum tax is not apportionable (except in the case of a change  
30 of accounting periods), [*and*] is payable in full for any part of the year dur-

1 ing which a corporation is subject to tax, and may not be reduced, paid  
2 or otherwise satisfied through the use of any tax credit.

3 **“SECTION 31. The amendments to ORS 317.090 by section 30 of this  
4 2015 Act apply to tax years beginning on or after January 1, 2015, and  
5 before January 1, 2021.**

6 **“SECTION 32. This 2015 Act takes effect on the 91st day after the  
7 date on which the 2015 regular session of the Seventy-eighth Legisla-  
8 tive Assembly adjourns sine die.”**

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