

SB 150 STAFF MEASURE SUMMARY

Senate Committee On Finance and Revenue

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Meeting Dates: 3/7

WHAT THE MEASURE DOES:

Combines the first two tiers of the C-corporation minimum tax into a single tier, reducing the minimum tax from \$500 to \$150 for corporations with Oregon sales between \$500,000 and \$1 million. Applies to tax years 2018 and later.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

BACKGROUND:

Prior to 2009, the C-corporation minimum tax was \$10. The current 12-tier structure of the C-corporation minimum tax was established in 2009. In tax year 2014, a total of roughly 20,400 corporations paid the minimum tax. Roughly 1,900 of those corporations had Oregon sales between \$500,000 and \$1 million. An additional 1,100 corporations had Oregon sales between \$500,000 and \$1 million but paid tax through use of the tax rates.