

**HB 2951 -1 STAFF MEASURE SUMMARY**

**House Committee On Revenue**

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**Prepared By:** Christine Broniak, Economist

**Meeting Dates:** 4/13, 6/28

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**WHAT THE MEASURE DOES:**

Requires addition, in determination of Oregon taxable income, of deduction as business expense of compensation paid by taxpayer to individual paid more than \$1 million in total compensation, including wages, salaries, bonuses, commissions, stock options, or any other form of remuneration.

Applies to tax years beginning on or after January 1, 2018.

**ISSUES DISCUSSED:**

**EFFECT OF AMENDMENT:**

-1 Replaces measure.

**BACKGROUND:**

Currently, wages under \$1 million, performance-based pay, stock options, bonuses, and commissions are deductible as a business expense. The measure would create an addition for the total compensation when compensation is over \$1 million.