

# House Bill 2144

Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at the request of House Interim Committee on Revenue)

## SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Requires addition to federal taxable income of amounts deducted as gain attributable to investment in federal qualified opportunity zone. Allows subtraction in later tax year if gain is temporarily deferred at federal level.

Applies to tax years beginning on or after January 1, 2019.

Takes effect on 91st day following adjournment sine die.

## A BILL FOR AN ACT

1  
2 Relating to tax treatment of investment in qualified opportunity zone; and prescribing an effective  
3 date.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1. Section 2 of this 2019 Act is added to and made a part of ORS chapter 316.**

6 **SECTION 2. (1) There shall be added to federal taxable income for Oregon tax purposes  
7 any gain that is allowable as a deduction under section 1400Z-2 of the Internal Revenue Code  
8 for the tax year.**

9 **(2) Any amount added to federal taxable income for Oregon tax purposes under sub-  
10 section (1) of this section that under section 1400Z of the Internal Revenue Code is tempo-  
11 rarily deferred gain may thereafter be subtracted from federal taxable income for Oregon tax  
12 purposes for the year in which the amount is includible in federal taxable income under  
13 section 1400Z-2 (b) of the Internal Revenue Code.**

14 **(3) Any adjustment in basis of opportunity zone property allowed under section 1400Z of  
15 the Internal Revenue Code for federal tax purposes shall be disregarded for Oregon tax pur-  
16 poses.**

17 **SECTION 3. Section 4 of this 2019 Act is added to and made a part of ORS chapter 317.**

18 **SECTION 4. (1) There shall be added to federal taxable income for Oregon tax purposes  
19 any gain that is allowable as a deduction under section 1400Z-2 of the Internal Revenue Code  
20 for the tax year.**

21 **(2) Any amount added to federal taxable income for Oregon tax purposes under sub-  
22 section (1) of this section that under section 1400Z of the Internal Revenue Code is tempo-  
23 rarily deferred gain may thereafter be subtracted from federal taxable income for Oregon tax  
24 purposes for the year in which the amount is includible in federal taxable income under  
25 section 1400Z-2 (b) of the Internal Revenue Code.**

26 **(3) Any adjustment in basis of opportunity zone property allowed under section 1400Z of  
27 the Internal Revenue Code for federal tax purposes shall be disregarded for Oregon tax pur-  
28 poses.**

29 **SECTION 5. Sections 2 and 4 of this 2019 Act apply to tax years beginning on or after**

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1 **January 1, 2019.**

2 **SECTION 6. This 2019 Act takes effect on the 91st day after the date on which the 2019**  
3 **regular session of the Eightieth Legislative Assembly adjourns sine die.**

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