

A-Engrossed
Senate Bill 212

Ordered by the Senate March 6
Including Senate Amendments dated March 6

Printed pursuant to Senate Interim Rule 213.28 by order of the President of the Senate in conformance with pre-session filing rules, indicating neither advocacy nor opposition on the part of the President (at the request of Senate Interim Committee on Finance and 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.

[Increases percentage of federal earned income credit allowable as credit against Oregon personal income tax. Increases amount of standard deduction.]

[First applies to tax years beginning on or after January 1, 2020.]

[Extends sunset for earned income tax credit.]

Disallows, for personal income or corporate excise tax purposes, deduction for losses from wagering transactions. Requires addition, in determination of Oregon taxable income, of amount of losses from wagering transactions if deducted on taxpayer's federal return. Applies to tax years beginning on or after January 1, 2019.

Allows deduction for qualified tuition and related expenses, on personal income tax return, as percentage of amount allowed as deduction on federal return under law applicable to 2017 tax year. Applies to tax years beginning on or after January 1, 2019, and before January 1, 2025.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to taxation; and prescribing an effective date.

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

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

5 **SECTION 2. A deduction for losses from wagering transactions, as described in section**
6 **165(d) of the Internal Revenue Code, is not allowed under this chapter. If any amount of**
7 **wagering losses is deducted on the taxpayer's federal return, an equal amount shall be added**
8 **to federal taxable income for purposes of computing the tax under this chapter.**

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

10 **SECTION 4. A deduction for losses from wagering transactions, as described in section**
11 **165(d) of the Internal Revenue Code, is not allowed under this chapter. If any amount of**
12 **wagering losses is deducted on the taxpayer's federal return, an equal amount shall be added**
13 **to federal taxable income for purposes of computing the tax under this chapter.**

14 **SECTION 5. Sections 2 and 4 of this 2019 Act apply to tax years beginning on or after**
15 **January 1, 2019.**

16 **SECTION 6. Section 7 of this 2019 Act is added to and made a part of ORS chapter 316.**

17 **SECTION 7. (1) As used in this section:**

18 **(a) "Eligible educational institution" and "qualified tuition and related expenses" have the**
19 **meanings given those terms in section 25A(f) of the Internal Revenue Code.**

20 **(b) "Internal Revenue Code" means the federal Internal Revenue Code as amended and**

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 in effect on December 31, 2016, and as applicable to tax years beginning on or after January
2 1, 2017, and before January 1, 2018.

3 (2) In computing Oregon taxable income for purposes of this chapter, there shall be
4 subtracted from federal taxable income an amount equal to 0.23 multiplied by the deduction
5 as computed under section 222 of the Internal Revenue Code for qualified tuition and related
6 expenses paid or incurred by a taxpayer during the tax year for attendance by a person listed
7 on the taxpayer's tax return at an eligible educational institution.

8 (3) The amount of subtraction allowed under subsection (2) of this section shall be re-
9 duced by the amount of any deduction allowed the taxpayer for the same expense for the tax
10 year.

11 **SECTION 8.** Section 7 of this 2019 Act applies to expenses paid or incurred in tax years
12 beginning on or after January 1, 2019, and before January 1, 2025.

13 **SECTION 9.** This 2019 Act takes effect on the 91st day after the date on which the 2019
14 regular session of the Eightieth Legislative Assembly adjourns sine die.

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