

Requested by Representative KENY-GUYER

**PROPOSED AMENDMENTS TO  
HOUSE BILL 2139**

1 In line 2 of the printed bill, after the semicolon delete the rest of the line  
2 and insert “creating new provisions; amending ORS 315.266 and section 6,  
3 chapter 880, Oregon Laws 2007; and prescribing an effective date.”.

4 Delete lines 4 through 6 and insert:

5 **“SECTION 1.** ORS 315.266 is amended to read:

6 “315.266. (1)(a) In addition to any other credit available for purposes of  
7 ORS chapter 316, an eligible resident individual shall be allowed a credit  
8 against the tax otherwise due under ORS chapter 316 for the tax year in an  
9 amount equal to [*eight*] **20** percent of the earned income credit allowable to  
10 the individual for the same tax year under section 32 of the Internal Revenue  
11 Code.

12 “(b) Notwithstanding paragraph (a) of this subsection, for a taxpayer with  
13 a dependent under the age of three at the close of the tax year, the credit  
14 allowed under this section shall be in an amount equal to [*11*] **25** percent of  
15 the earned income credit allowable to the individual for the same tax year  
16 under section 32 of the Internal Revenue Code.

17 **“(2) A resident individual may claim a credit under this section if,**  
18 **except for the filing of a return under an individual taxpayer identifi-**  
19 **cation number in lieu of a Social Security number, the individual**  
20 **would otherwise be eligible to claim a credit under section 32 of the**  
21 **Internal Revenue Code. The credit allowed shall be the percentage, as**

1 **stated in subsection (1) of this section, of the amount that would be**  
2 **allowed on a federal return, based on the amount of the individual's**  
3 **earned income and the other provisions of section 32 of the Internal**  
4 **Revenue Code. The Department of Revenue shall by rule establish**  
5 **procedures and guidelines for determining the amount of credit al-**  
6 **lowed.**

7 “[2] (3) An eligible nonresident individual shall be allowed the credit  
8 computed in the same manner and subject to the same limitations as the  
9 credit allowed a resident by subsection (1) of this section. However, the  
10 credit shall be prorated using the proportion provided in ORS 316.117.

11 “[3] (4) If a change in the taxable year of a taxpayer occurs as described  
12 in ORS 314.085, or if the Department of Revenue terminates the taxpayer's  
13 taxable year under ORS 314.440, the credit allowed by this section shall be  
14 prorated or computed in a manner consistent with ORS 314.085.

15 “[4] (5) If a change in the status of a taxpayer from resident to nonres-  
16 ident or from nonresident to resident occurs, the credit allowed by this sec-  
17 tion shall be determined in a manner consistent with ORS 316.117.

18 “[5] (6) If the amount allowable as a credit under this section, when  
19 added to the sum of the amounts allowable as payment of tax under ORS  
20 316.187 or 316.583, other tax prepayment amounts and other refundable credit  
21 amounts, exceeds the taxes imposed by ORS chapters 314 and 316 for the tax  
22 year after application of any nonrefundable credits allowable for purposes  
23 of ORS chapter 316 for the tax year, the amount of the excess shall be re-  
24 funded to the taxpayer as provided in ORS 316.502.

25 “[6] (7) The Department of Revenue may adopt rules for purposes of this  
26 section, including but not limited to rules relating to proof of eligibility and  
27 the furnishing of information regarding the federal earned income credit  
28 claimed by the taxpayer for the tax year.

29 “[7] (8) Refunds attributable to the earned income credit allowed under  
30 this section do not bear interest.

1       **SECTION 2.** Section 6, chapter 880, Oregon Laws 2007, as amended by  
2 section 1, chapter 750, Oregon Laws 2013, is amended to read:

3       **“Sec. 6.** ORS 315.266 applies to tax years beginning before January 1,  
4 [2020] **2026.**”

5       **SECTION 3.** The amendments to ORS 315.266 by section 1 of this  
6 **2019 Act apply to tax years beginning on or after January 1, 2020, and**  
7 **before January 1, 2026.**

8       **SECTION 4.** This 2019 Act takes effect on the 91st day after the  
9 **date on which the 2019 regular session of the Eightieth Legislative**  
10 **Assembly adjourns sine die.”**

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