

Enrolled Senate Bill 119

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 Governor Kate Brown for Department of Revenue)

CHAPTER

AN ACT

Relating to charitable contributions of art objects; creating new provisions; amending ORS 316.838; and prescribing an effective date.

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

SECTION 1. ORS 316.838 is amended to read:

316.838. (1) **As used in this section, “art object” means a painting, sculpture, photograph, graphic or craft art, industrial design, costume or fashion design, tape or sound recording or film.**

(2) *[If]* **A subtraction from federal taxable income is allowed for a charitable contribution of an art object, if the art object has not been previously sold or otherwise transferred by its creator and the creator makes a charitable contribution of the art object that qualifies for the deduction allowed by section 170 of the Internal Revenue Code for the [taxable] tax year.**

(3) **The subtraction under this section shall equal**, *there shall be subtracted from federal taxable income* any positive amount obtained by subtracting[:]

[(a)] the amount otherwise deductible on the Oregon tax return of the taxpayer-creator for the *[taxable]* tax year as charitable contributions from

[(b)] the amount that would have been deductible by the taxpayer-creator if the deduction for charitable contributions had been computed without reduction in amount under section 170 (e) of the Internal Revenue Code for the art object charitably contributed by its creator.

[(2) As used in this section, “art object” means a painting, sculpture, photograph, graphic or craft art, industrial design, costume or fashion design, tape or sound recording or film.]

[(3)] (4) *[No]* **The taxpayer-creator is not allowed a [additional] subtraction [shall be allowed to the taxpayer-creator]** under this section unless the *[tax return is accompanied by a copy of]* **taxpayer-creator obtains** an appraisal report showing the fair market value of the art object at the time the contribution was made.

SECTION 2. The amendments to ORS 316.838 by section 1 of this 2021 Act apply to tax years beginning on or after January 1, 2022.

SECTION 3. This 2021 Act takes effect on the 91st day after the date on which the 2021 regular session of the Eighty-first Legislative Assembly adjourns sine die.

Passed by Senate March 24, 2021

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Lori L. Brocker, Secretary of Senate

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Peter Courtney, President of Senate

Passed by House May 11, 2021

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Tina Kotek, Speaker of House

Received by Governor:

.....M,....., 2021

Approved:

.....M,....., 2021

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Kate Brown, Governor

Filed in Office of Secretary of State:

.....M,....., 2021

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Shemia Fagan, Secretary of State