

SB 137-1
(LC 2316)
2/1/21 (CMT/ps)

Requested by SENATE COMMITTEE ON FINANCE AND REVENUE

**PROPOSED AMENDMENTS TO
SENATE BILL 137**

1 On page 35 of the printed bill, delete lines 12 and 13 and insert:

2 **“SECTION 31. Sections 32 to 34 of this 2021 Act are added to and**
3 **made a part of ORS chapter 316.**

4 **“SECTION 32. There shall be added to federal taxable income an**
5 **amount equal to any excess business loss deducted under section**
6 **461(l)(1) of the Internal Revenue Code.**

7 **“SECTION 33. Notwithstanding ORS 316.028, there shall be added to**
8 **federal taxable income an amount equal to the sum of:**

9 **“(1) The amount of any net operating loss carryback deducted under**
10 **section 172(b)(1)(D) of the Internal Revenue Code; and**

11 **“(2) The amount by which any net operating loss deduction exceeds**
12 **80 percent of adjusted taxable income.**

13 **“SECTION 34. There shall be added to federal taxable income the**
14 **amount by which business interest deducted under section 163(j)(1)(B)**
15 **of the Internal Revenue Code exceeds 30 percent of current tax year**
16 **adjusted taxable income, as defined in section 163(j)(8) of the Internal**
17 **Revenue Code and notwithstanding section 163(j)(10)(B) of the Internal**
18 **Revenue Code.**

19 **“SECTION 35. Section 36 of this 2021 Act is added to and made a**
20 **part of ORS chapter 317.**

21 **“SECTION 36. There shall be added to federal taxable income the**

1 amount by which business interest deducted under section 163(j)(1)(B)
2 of the Internal Revenue Code exceeds 30 percent of current tax year
3 adjusted taxable income, as defined in section 163(j)(8) of the Internal
4 Revenue Code and notwithstanding section 163(j)(10)(B) of the Internal
5 Revenue Code.

6 **“SECTION 37.** (1) Section 32 of this 2021 Act applies to tax years
7 beginning on or after January 1, 2018, and before January 1, 2021.

8 **“(2)** Sections 34 and 36 of this 2021 Act apply to tax years beginning
9 on or after January 1, 2019, and before January 1, 2021.

10 **“(3)** Section 33 (1) of this 2021 Act applies to tax years beginning on
11 or after January 1, 2018, and before January 1, 2021, and to any tax
12 year to which a net operating loss arising in those tax years is carried
13 back.

14 **“(4)** Section 33 (2) of this 2021 Act applies to tax years beginning on
15 or after January 1, 2018, and before January 1, 2021, and to net oper-
16 ating losses arising in those tax years.

17 **“SECTION 38.** The Department of Revenue may not impose any in-
18 terest or penalty that would otherwise apply to taxes due if the inter-
19 est or penalty is based on underpayment or underreporting that results
20 solely from the operation of section 32, 33, 34 or 36 of this 2021 Act.

21 **“SECTION 39.** Section 38 of this 2021 Act applies to tax years be-
22 ginning on or after January 1, 2018, and before January 1, 2020.

23 **“SECTION 40.** This 2021 Act takes effect on the 91st day after the
24 date on which the 2021 regular session of the Eighty-first Legislative
25 Assembly adjourns sine die.”.

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