

HB 2092 -1 STAFF MEASURE SUMMARY

House Committee On Revenue

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Meeting Dates: 2/27

WHAT THE MEASURE DOES:

Updates connection date to federal Internal Revenue Code and other provisions of federal law. Updates connection date provisions by one year, to December 31, 2024 or to January 1, 2025. Takes effect on the 91st day following adjournment sine die.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

-1 Ends Oregon's continuing connection to the federal definition of taxable income. Connects Oregon taxable income to provisions of the Internal Revenue Code as in effect on December 31, 2024.

BACKGROUND:

Oregon has a continuing connection to the federal definition of taxable income (“rolling reconnect”) for personal and corporate income taxes. The rolling reconnect automatically adopts federal changes to the definition of taxable income and incorporates them into Oregon tax law. Other ties to federal tax law must be updated on a regular basis, with December 31st being the usual connection date. Oregon has had a continuing connection to the federal definition of taxable income since tax year 2011. Over the past forty years, Oregon has fluctuated between a policy of automatic connection to federal tax base changes and connection to the federal code at a particular point in time. A section-by-section description of the measure can be found in the committee meeting materials.