

House Bill 3914

Sponsored by Representatives RESCHKE, SCHARF, SMITH G, BOSHART DAVIS, HARBICK, OWENS; Representatives BREESE-IVERSON, ELMER, LEVY B, MANNIX, MCINTIRE, YUNKER

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 **as introduced**. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: The Act exempts tips from personal income tax. (Flesch Readability Score: 71.8).
Creates an Oregon personal income tax subtraction for tips received by the taxpayer during the tax year.
Applies to tax years beginning on or after January 1, 2026, and before January 1, 2032.
Takes effect on the 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to an income tax subtraction for tips received; and prescribing an effective date.

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

4 **SECTION 1. Section 2 of this 2025 Act is added to and made a part of ORS chapter 316.**

5 **SECTION 2. There shall be subtracted from federal taxable income any amount of tips**
6 **properly reported as wages on the taxpayer's federal income tax return.**

7 **SECTION 3. Section 2 of this 2025 Act applies to amounts received in tax years beginning**
8 **on or after January 1, 2026, and before January 1, 2032.**

9 **SECTION 4. This 2025 Act takes effect on the 91st day after the date on which the 2025**
10 **regular session of the Eighty-third Legislative Assembly adjourns sine die.**

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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.