

A-Engrossed
Senate Bill 108

Ordered by the Senate April 15
Including Senate Amendments dated April 15

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 Senate Interim Committee on Finance and Revenue)

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

Digest: The Act changes the tax credit for crop gifts by raising the percentage of crop value allowed and extending the sunset. (Flesch Readability Score: 60.6).

[Digest: The Act extends the sunset for the tax credit for crop donation. (Flesch Readability Score: 74.8).]

[Extends the sunset for the income and corporate excise tax credit for crop donation.]

Increases, for purposes of the income and corporate excise tax credit allowed for crop donation, the percentage of wholesale price allowed as amount of credit and extends the sunset.

Applies to tax years beginning on or after January 1, 2025.

Takes effect on the 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to tax credits for crop donation; creating new provisions; amending ORS 315.156 and sec-
3 tion 5, chapter 913, Oregon Laws 2009; and prescribing an effective date.

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

5 **SECTION 1.** ORS 315.156 is amended to read:

6 315.156. (1) A taxpaying individual or corporation that is a grower of a crop and that makes a
7 qualified donation of the crop shall be allowed a credit against the taxes otherwise due under ORS
8 chapter 316 or, if the taxpayer is a corporation, under ORS chapter 317 or 318, as follows:

9 (a) In the case of a qualified donation made under circumstances described in ORS 315.154 (5)(a)
10 or (b), the amount of the credit shall be *[15]* **25** percent of the value of the quantity of the crop do-
11 nated computed at the wholesale market price.

12 (b) In the case of a qualified donation made under circumstances described in ORS 315.154 (5)(c),
13 the amount of the credit shall be *[15]* **25** percent of the value of the quantity of the crop donated
14 computed at the wholesale market price that the grower would have received had the quantity of
15 the crop donated been sold or salable.

16 (2) At the time of donation, the director, supervisor or other appropriate official of the entity
17 to which a qualified donation is made shall supply to the grower of the crop donated two copies of
18 a form prescribed by the Department of Revenue. The forms shall contain:

19 (a) The name and address of the grower;

20 (b) The description and quantity of the donated crop;

21 (c) The signature of the director, supervisor or other appropriate official of the entity receiving
22 the donated crop verifying that the produce was or will be distributed to children or homeless, un-

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.

1 employed, elderly or low-income individuals;

2 (d) The wholesale market price; and

3 (e) Other information required by the Department of Revenue by rule.

4 (3) Tax claim for tax credit shall be substantiated by submission with the tax return, of the form
5 described in subsection (2) of this section, a statement verified by the taxpayer that the qualified
6 donation was made under circumstances described in ORS 315.154 (5) and a copy of an invoice or
7 other statement identifying the price received by the grower for the crops of comparable grade or
8 quality if there is a previous cash buyer. The requirement for substantiation may be waived parti-
9 tially, conditionally or absolutely, as provided under ORS 315.063.

10 (4) Any tax credit otherwise allowable under this section that is not used by the taxpayer in a
11 particular tax year may be carried forward and offset against the taxpayer's tax liability for the next
12 succeeding tax year. Any credit remaining unused in the next succeeding tax year may be carried
13 forward and used in the second succeeding tax year, and likewise, any credit not used in that second
14 succeeding tax year may be carried forward and used in the third succeeding tax year, but may not
15 be carried forward for any tax year thereafter.

16 (5)(a) A nonresident individual shall be allowed the credit computed under this section in the
17 same manner and subject to the same limitations as the credit allowed a resident by this section.
18 However, the credit shall be prorated using the proportion provided in ORS 316.117.

19 (b) If a change in the taxable year of a taxpayer occurs as described in ORS 314.085, or if the
20 department terminates the taxpayer's taxable year under ORS 314.440, the credit allowed by this
21 section shall be prorated or computed in a manner consistent with ORS 314.085.

22 (c) If a change in the status of a taxpayer from resident to nonresident or from nonresident to
23 resident occurs, the credit allowed by this section shall be determined in a manner consistent with
24 ORS 316.117.

25 **SECTION 2.** Section 5, chapter 913, Oregon Laws 2009, as amended by section 1, chapter 115,
26 Oregon Laws 2014, and section 38, chapter 579, Oregon Laws 2019, is amended to read:

27 **Sec. 5.** Except as provided in ORS 315.156 (4), a credit may not be claimed under ORS 315.156
28 for tax years beginning on or after January 1, 2012, and before January 1, 2014, or on or after
29 January 1, [2026] **2032**.

30 **SECTION 3.** The amendments to ORS 315.156 by section 1 of this 2025 Act apply to tax
31 years beginning on or after January 1, 2025.

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

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