

# D R A F T

## SUMMARY

Modifies certain corporate minimum tax rates. Applies to tax years beginning on or after January 1, 2019.

Takes effect on 91st day following adjournment sine die.

## A BILL FOR AN ACT

Relating to the corporate minimum tax; creating new provisions; amending ORS 317.090; and prescribing an effective date.

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

**SECTION 1.** ORS 317.090 is amended to read:

317.090. (1) As used in this section:

(a) “Oregon sales” means:

(A) If the corporation apportions income under ORS 314.650 to 314.665 for Oregon tax purposes, the total sales of the taxpayer in this state during the tax year, as determined for purposes of ORS 314.665;

(B) If the corporation does not apportion income for Oregon tax purposes, the total sales in this state that the taxpayer would have had, as determined for purposes of ORS 314.665, if the taxpayer were required to apportion income for Oregon tax purposes; or

(C) If the corporation apportions income using a method different from the method prescribed by ORS 314.650 to 314.665, Oregon sales as defined by the Department of Revenue by rule.

(b) If the corporation is an agricultural cooperative that is a cooperative organization described in section 1381 of the Internal Revenue Code, “Oregon sales” does not include sales representing business done with or for members

1 of the agricultural cooperative.

2 (2) Each corporation or affiliated group of corporations filing a return  
3 under ORS 317.710 shall pay annually to the state, for the privilege of car-  
4 rying on or doing business by it within this state, a minimum tax as follows:

5 (a) If Oregon sales properly reported on a return are:

6 (A) Less than \$500,000, the minimum tax is \$150.

7 (B) \$500,000 or more, but less than \$1 million, the minimum tax is \$500.

8 (C) \$1 million or more, but less than \$2 million, the minimum tax is  
9 ~~[\$1,000]~~ **\$750.**

10 (D) \$2 million or more, but less than \$3 million, the minimum tax is  
11 ~~[\$1,500]~~ **\$1,000.**

12 (E) \$3 million or more, but less than \$5 million, the minimum tax is  
13 \$2,000.

14 (F) \$5 million or more, but less than \$7 million, the minimum tax is  
15 ~~[\$4,000]~~ **\$3,500.**

16 (G) \$7 million or more, but less than \$10 million, the minimum tax is  
17 ~~[\$7,500]~~ **\$7,000.**

18 (H) \$10 million or more, but less than \$25 million, the minimum tax is  
19 \$15,000.

20 (I) \$25 million or more, but less than \$50 million, the minimum tax is  
21 \$30,000.

22 (J) \$50 million or more, but less than \$75 million, the minimum tax is  
23 ~~[\$50,000]~~ **\$55,000.**

24 (K) \$75 million or more, but less than \$100 million, the minimum tax is  
25 ~~[\$75,000]~~ **\$80,000.**

26 (L) \$100 million or more, the minimum tax is ~~[\$100,000]~~ **\$115,000.**

27 (b) If a corporation is an S corporation, the minimum tax is \$150.

28 (3) The minimum tax is not apportionable (except in the case of a change  
29 of accounting periods), is payable in full for any part of the year during  
30 which a corporation is subject to tax and may not be reduced, paid or oth-  
31 erwise satisfied through the use of any tax credit.

1     **SECTION 2.** The amendments to ORS 317.090 by section 1 of this  
2     **2019 Act apply to tax years beginning on or after January 1, 2019.**

3     **SECTION 3.** This 2019 Act takes effect on the 91st day after the date  
4     **on which the 2019 regular session of the Eightieth Legislative Assem-**  
5     **bly adjourns sine die.**

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