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.

Makes certain increases in benefits occurring when Public Employees Retirement Board learns that payments are subject to Oregon personal income tax effective on first day of month after receipt of notice, rather than first day of calendar year after receipt of notice.

A BILL FOR AN ACT

Relating to payments under the Public Employees Retirement System subject to Oregon personal income tax; creating new provisions; and amending ORS 238.376.

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

SECTION 1. ORS 238.376 is amended to read:

238.376. (1) If a person is receiving payments under this chapter, and after the payments commence the payments cease to be subject to Oregon personal income tax under ORS 316.127 (9), the person shall promptly notify the Public Employees Retirement Board by written statement that the payments are no longer subject to Oregon personal income tax under ORS 316.127 (9). The board shall reduce any benefits payable to the person by the amount by which the benefits were increased under chapter 796, Oregon Laws 1991, or chapter 569, Oregon Laws 1995. The reduction in benefits becomes effective on the first day of the calendar year following receipt of notice by the board.

(2) If a person is receiving payments under this chapter that have been reduced because the payments are not subject to Oregon personal income tax under ORS 316.127 (9), and thereafter the payments become subject to Oregon personal income tax under ORS 316.127 (9), the person shall promptly notify the board by written statement that the payments are once again subject to Oregon personal income tax under ORS 316.127 (9).

(3) If a person is receiving payments under this chapter that have been reduced because the payments are not subject to Oregon personal income tax under ORS 316.127 (9), and the board receives notice under subsection (2) of this section that payments to the person under this chapter are once again subject to Oregon personal income tax under ORS 316.127 (9), the board shall resume payment of the increased benefits provided by chapter 796, Oregon Laws 1991, or chapter 569, Oregon Laws 1995. The increase in benefits becomes effective on the first day of the [calendar year] month following receipt of notice by the board.

SECTION 2. The amendments to ORS 238.376 by section 1 of this 2017 Act apply only to notices that payments are subject to Oregon personal income tax received by the Public Employees Retirement Board on or after the effective date of this 2017 Act.

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.

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