

Enrolled
House Bill 3427

Sponsored by COMMITTEE ON RULES (at the request of Representative Barbara Smith Warner)

CHAPTER

AN ACT

Relating to education funding; creating new provisions; amending ORS 316.037, 327.008, 327.527, 327.535, 329.095, 417.790 and 417.847; prescribing an effective date; and providing for revenue raising that requires approval by a three-fifths majority.

HB 3427 was passed by the Oregon Legislative Assembly containing 84 sections. This text was filed as a referendum of the corresponding provisions of HB 3427 pursuant to Article IV, Section 1(3) of the Oregon Constitution.

Be It Referred to the People of the State of Oregon:

SECTION 60. A unitary group shall register, file and pay taxes under sections 58 to 76 of this 2019 Act as a single taxpayer and may exclude receipts from trans-actions among its members. The Department of Revenue may collect identifying information about all members of a unitary group and may require disclosure to the department, for each member, of the commercial activity in Oregon and in the United States.

SECTION 63. (1) A corporate activity tax is imposed on each person with taxable commercial activity for the privilege of doing business in this state. The tax is imposed upon persons with substantial nexus with this state. The tax imposed under this section is not a transactional tax and is not subject to the Interstate Income Act of 1959 (P.L. 86-272). The tax imposed under this section is in addition to any other taxes or fees imposed under the tax laws of this state. The tax imposed under this section is imposed on the person receiving the commercial activity and is not a tax imposed directly on a purchaser. The tax imposed under this section is an annual privilege tax for the calendar year and shall be remitted quarterly to the Department of Revenue. A taxpayer is subject to the annual corporate activity tax for doing business during any portion of such calendar year.

SECTION 65. (1) The corporate activity tax imposed under section 63 of this 2019 Act for each calendar year shall equal \$250 plus the product of the taxpayer's taxable commercial activity in excess of \$1 million for the calendar year multiplied by 0.57 percent.

SECTION 68. (1) Any person or unitary group with commercial activity in excess of \$750,000 in the tax year shall register with the Department of Revenue.

(2) The department by rule may establish the information pertaining to the person or unitary group that must be submitted to the department accompanying the registration and the time and manner for issuance of registrations under this section.

SECTION 69. Every person doing business in this state shall keep records, receipts, invoices and other pertinent papers related to the corporate activity tax imposed under section 63 of this 2019 Act in a form required by the Department of Revenue.

SECTION 72. The Department of Revenue is authorized to and shall adopt rules requiring uniformity in application, reporting and collection and otherwise carrying out the purposes of sections 58 to 76 of this 2019 Act.

SECTION 80. It is the intent of the Legislative Assembly that each part of this 2019 Act be considered as essentially and inseparably connected with and dependent upon every other part. The Legislative Assembly does not intend that any part of this 2019 Act be the law if any other part does not become law.