

LC 4604
2023 Regular Session
PRIORITY
6/16/23 (CMT/MNJ/ps)

D R A F T

SUMMARY

Creates income tax credit for subscriptions to media news outlets and donations to certain journalism organizations.

Prohibits person from falsely advertising availability of tax credit. Allows Department of Revenue to impose civil penalty for violation.

Applies to tax years beginning on or after January 1, 2023, and before January 1, 2029.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

Relating to a tax credit for expenses related to journalism; and prescribing an effective date.

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

SECTION 1. Section 2 of this 2023 Act is added to and made a part of ORS chapter 315.

SECTION 2. (1) As used in this section, “media news outlet” means an online, print or other media outlet that:

(a) Has been in existence as a registered business for at least 12 months in the state in which it is registered as a business; and

(b) Regularly employs staff journalists who produce news coverage on any topic of news within Oregon.

(2) A credit in an amount not to exceed \$100, if reported on a joint return, or \$50, if reported on any other type of return, shall be allowed against the taxes that are otherwise due under ORS chapter 316 for the amount that the taxpayer paid or incurred during the tax year for:

(a) The cost of subscriptions to media news outlets; and

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.

(b) Donations to an organization that is recognized as exempt under section 501(c)(3) of the Internal Revenue Code and that supports professional journalists, news media professionals, government transparency and public records reform.

(3) A taxpayer claiming a credit under this section shall add to federal taxable income for Oregon tax purposes any amount that is deducted for federal tax purposes and that also serves as the basis for the credit allowed under this section.

(4)(a) A nonresident shall be allowed the credit under this section in the proportion provided in ORS 316.117.

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

(c) If a change in the tax year of a taxpayer occurs as described in ORS 314.085, or if the Department of Revenue terminates the taxpayer's tax year under ORS 314.440, the credit allowed under this section shall be prorated or computed in a manner consistent with ORS 314.085.

(5) The credit allowed in any one tax year may not exceed the tax liability of the taxpayer.

SECTION 3. (1) A person that is not a media news outlet as defined in section 2 of this 2023 Act may not advertise that a payment to the person is eligible for the tax credit described in section 2 of this section.

(2) The Department of Revenue may impose a civil penalty of up to \$500 for each violation of this section.

SECTION 4. Section 2 of this 2023 Act applies to tax years beginning on or after January 1, 2023, and before January 1, 2029.

SECTION 5. This 2023 Act takes effect on the 91st day after the date on which the 2023 regular session of the Eighty-second Legislative

1 **Assembly adjourns sine die.**

2
