



This Week in State Tax (TWIST)

August 5, 2024



Oregon: Corporate Tax Increase Qualifies for November Ballot

The Secretary of State has certified that Initiative Petition 17 to increase the minimum tax on corporations has received sufficient signatures to be placed the November 2024 ballot. Under current law, corporations pay the higher of either a tax on their “taxable income” or a business minimum tax. The minimum tax is a graduated levy against total Oregon sales and is capped at \$100,000 for taxpayers with \$100 million or more in Oregon sales. If approved by the voters, Initiative Petition 17 would impose a minimum tax on corporations with Oregon sales exceeding \$25 million. The tax would be equal to the current minimum tax for the applicable bracket, plus three percent of the excess over \$25 million. For example, a corporation with Oregon sales of \$50 million would have a minimum tax liability of \$750,000 plus the current \$50,000 obligation. The new minimum tax rate would be applicable to tax years beginning on or January 1, 2025, and would have no cap. The bill would apply the same minimum tax to S Corporations with Oregon sales over \$25 million. Currently, such entities pay a \$150 minimum tax only. Revenue from the increased minimum tax will be used to provide rebates for individuals. Please contact [Nisha Mathew](#) with questions on [Initiative Petition 17](#).

Learn about us:



[kpmg.com](https://www.kpmg.com)