PURPOSE: Replacing outdated language to reflect 2015 legislation relating to spouses in a marriage.

150-316-0120

Credit for Political Contributions

(1) In General: To qualify for the political contribution credit, the contribution must be a voluntary contribution of money made to one of the following:

(a) A major political party or its political committees, or a minor political party or its political committees;

(b) A candidate for federal, state or local office; or

(c) A political committee. Each of these categories is discussed in more detail in the following sections.

(2) Contributions to political parties. For purposes of this rule, a major political party is defined in ORS 248.006. A minor political party is defined in ORS 248.008. Contributions to any of these parties, or their political committees, qualify for the credit.

Example 1: In 2012, Jim contributes $50 to the Republican National Party, $50 to the Republican Committee to Re-elect U.S. Senators, $50 to the Democratic National Party Committee to Re-elect Senator Jones of California and $50 to the Libertarian Party. All contributions qualify for the political contribution credit. Jim will be able to claim a credit of $50 on his 2012 income tax return. If he files a joint return with his spouse, they may claim a $100 credit.

(3) Contributions to candidates. Qualifying contributions are those made directly to the candidate or the principal campaign committee of the candidate.

(a) A principal campaign committee (PCC) means a candidate's political committee. The PCC must have met the filing requirements contained in ORS Chapter 260.

(b) Candidates do not have to appear on a ballot in this state in the same year the contribution is made for the credit to be claimed. However, if the candidate is not on a ballot, at least one of the following must have occurred in the same year the contribution is made:

(A) A prospective petition is filed;

(B) A declaration of candidacy is filed;

(C) A certificate of nomination is filed; or

(D) A designation of a principal campaign committee is filed.
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Example 2: Amanda filed a declaration of candidacy in November 2011 and appeared on the ballot for the 2012 primary election as a candidate for Oregon state senator. Contributions made in 2011 or 2012 to Amanda, or her principal campaign committee, will qualify for the credit.

Example 3: Royal is a member of the Association of Certified Engineers of America. The association forms a Political Action Committee (PAC) in Oregon, certifies the name of its treasurer to the Secretary of State, and solicits voluntary donations from individual members. The PAC states in its material that it is organized and operated to support or oppose any political candidates or measures the directors of the association determine will impact its members. Contributions made to the PAC will qualify for the credit.

Example 4: Debra belongs to a trade union that engages in political activities. The union informs Debra that a certain percentage of her monthly dues is used for political purposes. No part of her dues payment will qualify for the credit because it is not a voluntary payment of money to a candidate or a political committee.

Example 5: Same facts as Example 4, but the union also solicits voluntary political contributions from its members. These funds are placed directly into a separate PAC, which is not subsidized in any way by the union, and are used for political activities. In January 1999, Debra signs up for a payroll deduction of $5 to be taken from her monthly checks. She may claim a credit of up to $50 on her tax return, or a credit of
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1 $60 (12 months x $5) if she files jointly with her husband.
2 (5) The amount of the contribution must be reduced by the fair market value of any items or services received in exchange for the contributions.
3 Example 6: A political committee solicits donations and offers T-shirts in return for contributions of $50 or more. Douglas contributes $50 and receives a T-shirt valued at $10. He may claim a political contribution credit of $40.
4 Example 7: Same facts as Example 6, except that Douglas contributes $100. He is entitled to a credit of $50 on a single return, or $90 on a joint return.
5 (6) A partnership or S corporation may make political contributions on behalf of its partners or shareholders. The credit may be claimed on the individual tax return, subject to all of the limitations in ORS 316.102 and this rule.
6 (7) Proof of the credit, such as a canceled check or receipt, should not be attached to the tax return but should be kept with the taxpayer's records. Upon audit or examination, the taxpayer must provide documentation to verify the credit.
7 Stat. Auth.: ORS 305.100, & 316.102
8 Stats. Implemented: ORS 316.102