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NOTICE OF PROPOSED RULEMAKING

INCLUDING STATEMENT OF NEED & FISCAL IMPACT

CHAPTER 150

DEPARTMENT OF REVENUE

FILED: 04/29/2026 4:14 PM

ARCHIVES DIVISION SECRETARY OF STATE

FILING CAPTION: Depositing Refunds into College Savings Account

LAST DAY AND TIME TO OFFER COMMENT TO AGENCY: 06/01/2026 5:00 PM

The Agency requests public comment on whether other options should be considered for achieving the rule's substantive goals while reducing negative economic impact of the rule on business.

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Filed By:

Katie McCann

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HEARING(S)

Auxiliary aids for persons with disabilities are available upon advance request. Notify the contact listed above.

DATE: 06/01/2026

TIME: 10:00 AM

OFFICER: Robert Oakes

REMOTE HEARING DETAILS

MEETING URL: [Click here to join the meeting](#)

PHONE NUMBER: 503-446-4951

SPECIAL INSTRUCTIONS:

Join by video:

<https://www.microsoft.com/en-us/microsoft-teams/join-a-meeting>

Meeting ID: 281 706 150 690 48

Passcode: fP9QN2gW

Join by phone:

503-446-4951

Conference ID: 589 383 598#

NEED FOR THE RULE(S):

Oregon Administrative Rule 150-305-0450 – Depositing Refunds into College Savings Account – specifies rules for depositing all or a portion of a taxpayer’s refund into a 529 college savings account. These rules include: the maximum number of accounts that can have a deposit per return; the minimum deposit amount; and whether contributions made with this method can be used to claim tax benefits in a subsequent year.

In 2015, the Legislature Passed SB 777, which directed the Oregon 529 Savings Board to establish by rule the qualified state Achieving a Better Life Experience (ABLE) program. SB 777 renumbered the statutory reference for the Oregon College Savings Account from ORS 348.857 to ORS 178.335, which needs to be updated in the rule.

The tax subtraction referenced in the rule sunset after the 2019 tax year for the 529 College Savings Plan and was replaced with a tax credit for a percentage of contributions. The policy choice in the rule for the subtraction applies to the credit and the reference to the tax benefit needs to be updated.

Only taxpayers who choose to deposit all or a portion of their tax refund into a 529 account are affected by this rule. To make this deposit, taxpayers fill out Oregon Schedule 529 and include it with their tax return. About 240 taxpayers made this kind of deposit into a 529 account on their 2023 return, according to the DOR Research Department.

DOCUMENTS RELIED UPON, AND WHERE THEY ARE AVAILABLE:

OAR 150-305-0450 – Secretary of State Web site.

ORS 305.100/305.796 – Oregon Legislative Information System

STATEMENT IDENTIFYING HOW ADOPTION OF RULE(S) WILL AFFECT RACIAL EQUITY IN THIS STATE:

No impacts to racial equity in this state have been identified. The rules will apply to statewide demographics for all personal income taxpayers.

FISCAL AND ECONOMIC IMPACT:

There is no fiscal impact from the rule.

COST OF COMPLIANCE:

(1) Identify any state agencies, units of local government, and members of the public likely to be economically affected by the rule(s). (2) Effect on Small Businesses: (a) Estimate the number and type of small businesses subject to the rule(s); (b) Describe the expected reporting, recordkeeping and administrative activities and cost required to comply with the rule(s); (c) Estimate the cost of professional services, equipment supplies, labor and increased administration required to comply with the rule(s).

(1) None.

(2)(a) Professional tax preparers already help their clients file personal income tax returns, and the rules can be incorporated into tax filing seasons going forward.

The Oregon Board of Tax Practitioners lists 3,475 individual licensees and more than 1,200 registered tax preparation businesses. The Oregon Board of Accountancy regulates 8,027 Certified Public Accountants (CPAs) and Public Accountants (CPAs), as well as 868 public accounting firms registered with the Board.

(b) N/A.

(c) N/A.

DESCRIBE HOW SMALL BUSINESSES WERE INVOLVED IN THE DEVELOPMENT OF THESE RULE(S):

Representatives from the Oregon Association of Tax Consultants and the Oregon Society of Tax Consultants, who are primarily tax preparation small business owners, were invited to participate in the Rules Advisory Committee meeting.

WAS AN ADMINISTRATIVE RULE ADVISORY COMMITTEE CONSULTED? YES

AMEND: 150-305-0450

RULE SUMMARY: Amend College Savings Account rule to renumber ORS reference and delete outdated information.

CHANGES TO RULE:

150-305-0450

Depositing Refunds into ~~College~~529 Savings Account ¶

A taxpayer electing to make contributions authorized by ORS 305.796 to one or more accounts established under ~~348.857~~ORS 178.335:¶

(1) May contribute to a maximum of four accounts;¶

(2) Must contribute at least \$25 per account; ~~and~~ in accordance with ORS 315.650.¶

(3) May ~~deduct~~use contributions made under this section ~~on the subsequent year's tax return in accordance with ORS 316.699~~ in calculating the credit under ORS 315.650 only for the tax year in which the refund is issued.

Statutory/Other Authority: ORS 305.100, 305.796

Statutes/Other Implemented: ORS 305.796