



Oregon State Tax Exemption: AmeriCorps Segal Education Award

In the 2021 Legislative Session, the Oregon State Legislature adopted statute to exempt the AmeriCorps Segal Education Award from Oregon state taxes. House Bill 2433 is in effect as of January 1, 2021. See below to see how this bill benefits you as an alumni of AmeriCorps.

I'm an AmeriCorps alum in Oregon. What does HB 2433 mean for me?

HB 2433 allows you to exclude your Segal Education Award from income that will be taxed by the State of Oregon from 2021 onwards. The amount will be included in your income on your Federal tax return (Form 1040), but you can subtract the amount of the Award so it won't be taxed by the State of Oregon. If you use online tax software look for the AmeriCorps Educational Award subtraction in the Oregon tax return, as well as a 1099 Form issued from the federal government confirming the amount of award used for that tax year.

I finished AmeriCorps a few years ago. What does HB 2433 mean for me?

If you still have a Segal Education Award that you are eligible to use, then you can use the Award and exclude it from income that will be taxed by the State of Oregon from 2021 onwards. The tax exclusion is applicable during the year(s) that you *utilize* your Education Award.

Will I still have to pay federal income tax on the Segal Education Award?

Yes, your Segal Education Award payment *is* still taxable as *federal* income in the year it is utilized. HB 2433 only provides an exemption from Oregon *state* income taxes.

When does the HB 2433 Oregon state tax exemption go into effect?

The exclusion is available for taxable years beginning on or after January 1, 2021. This means that your education award that is utilized in the year 2021 is exempt from Oregon state income tax when you file your taxes in 2022.

Who does this law affect?

AmeriCorps members who have utilized a Segal Education Award and are filing taxes with the state of Oregon.

Will this exemption be available in online tax filing software?

Yes, the exemption will be available with all online tax filing software that is approved for use in filing Oregon returns. Look for the AmeriCorps Educational Award subtraction.

What if I file my taxes on paper?

If you're filing on paper, claim the AmeriCorps Educational Awards subtraction using code 362 on Schedule OR-ASC, Section B, or Schedule OR-ASC-NP, Section C. Include the schedule when you file your Oregon return.

What if I have more questions about how to file my taxes?

This document does not replace tax advice. If you have additional questions about taxes and your Segal Education Award, please consult a tax professional or visit these resources:

- AmeriCorps Segal Education Award: <https://americorps.gov/members-volunteers/segal-ameri-corps-education-award>
- Oregon Department of Revenue: <https://oregon.gov/dor>