

Chapter 318

Corporation Income Tax

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CASE CITATIONS: *Castle Sawmills, Inc. v. State Tax Comm.*, (1964) 1 OTR 571.

ATTY. GEN. OPINIONS: Taxability of interest on bonds to be issued by Port of Morrow for irrigation system connected with proposed private nuclear power plant, (1971) Vol 35, p 635.

LAW REVIEW CITATIONS: 39 OLR 293; 44 OLR 144-148.

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NOTES OF DECISIONS

State levy of an income tax upon revenues derived from interstate commerce must yield to P. L. 86-272. *Smith Kline & French Labs. v. State Tax Comm.*, (1965) 241 Or 50, 403 P2d 385, rev'g 1 OTR 532; *Atlas Foundry & Mach. Co. v. State Tax Comm.*, (1965) 2 OTR 200.

The connection to establish nexus is essentially an economic rather than a physical relationship. *American Refrigerator Transit Co. v. State Tax Comm.*, (1964) 238 Or 340, 395 P2d 127, rev'g 1 OTR 429.

P. L. 86-272 was intended to exempt not only the specifically described phase of interstate sales efforts but also all lesser, included phases. *Atlas Foundry & Mach. Co. v. State Tax Comm.*, (1965) 2 OTR 200.

Plaintiff's cars had a situs in Oregon within the meaning of this section. *American Refrigerator Transit Co. v. State Tax Comm.*, (1964) 238 Or 340, 395 P2d 127, rev'g 1 OTR 429.

Taxpayers activities were sufficient to constitute the required nexus in Oregon to satisfy due process. *Herff Jones Co. v. State Tax Comm.*, (1965) 2 OTR 207, aff'd, 247 Or 404, 430 P2d 998.

Taxpayer was not exempt under P. L. 86-272 as soliciting orders by independent contractors. *Briggs & Stratton Corp. v. State Tax Comm.*, (1968) 3 OTR 174.

The corporation, not the bar pilot, was the taxpayer. *Brown and McAlpin v. Dept. of Rev.*, (1969) 3 OTR 481.

FURTHER CITATIONS: *Cal-Roof Wholesale, Inc. v. State Tax Comm.*, (1966) 242 Or 435, 410 P2d 233.

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LAW REVIEW CITATIONS: 37 OLR 78.