

74TH OREGON LEGISLATIVE ASSEMBLY
STAFF MEASURE SUMMARY
SENATE FINANCE & REVENUE COMMITTEE

MEASURE: HB 2592-B
CARRIER: Sen. Starr

REVENUE: Revenue statement issued

FISCAL: No fiscal impact

Action: Do pass with amendments to the A-engrossed bill and be printed engrossed.

Vote: 4-0-1

Yeas: G. George, Monroe, Starr, Deckert

Nays:

Exc.: Burdick

Prepared By: Chris Allanach, Economist

Meeting Dates: 6/22, 6/23

WHAT THE BILL DOES: Defines "authorized agent". Requires authorized agent to withhold on certain real estate transactions if the transferor is either a nonresident (if an individual) or is not doing business in Oregon (if a C corporation). The amount withheld is the least of: (a) 4% of the value of the property, (b) 4% of the net proceeds, or (c) 10% of the gain includible in taxable income. Requires the authorized agent to remit amount withheld to the Department of Revenue. Identifies condition for when the authorized agent is not required to withhold. Requires the Department of Revenue to provide collection, enforcement, administration, and distribution services for local governments that impose a tax on income as defined in ORS 316, 317, or 318, if requested.

ISSUES DISCUSSED:

- Mechanics of the real estate withholding
- Concerns regarding the occupational license language

EFFECT OF COMMITTEE AMENDMENTS: Deleted language that would allow state agencies, boards, and commissions to require occupational licensees to be in tax compliance to have their license issued or renewed. Added clarifying language pertaining to the role of the authorized agents.

BACKGROUND: The tax compliance tools included in the original bill were part of the A-engrossed version of SB 480 from the 2005 legislative session. That bill was in committee upon adjournment in 2005. This session, another bill relating to tax compliance (SB 39) passed out of the Senate. Together, these two bills are intended to improve compliance with Oregon's income tax laws.

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This summary has not been adopted or officially endorsed by action of the committee.