

House Bill 2229

Ordered printed by the Speaker pursuant to House Rule 12.00A (5). Pre-session filed (at the request of Governor Theodore R. Kulongoski for Department of Revenue)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Limits interest on refunds for property tax overpayment to portion of overpayment not attributable to inaccurate taxpayer reports.

Applies to refunds for appeals filed on or after July 1, 2007.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to interest on property tax refunds; creating new provisions; amending ORS 311.812; and
3 prescribing an effective date.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1.** ORS 311.812 is amended to read:

6 311.812. (1) Except as provided in subsection (2) of this section, interest may not be paid upon
7 any tax refunds made under ORS 311.806.

8 (2) Interest as provided in subsection (3) of this section shall be paid on the following refunds:

9 (a) A refund resulting from the correction under ORS 311.205 of an error made by the assessor
10 or tax collector.

11 (b) A refund resulting from a written stipulation of the county assessor or the county tax col-
12 lector if the written stipulation constitutes a final determination that is not subject to appeal.

13 (c) Any refund ordered by the Department of Revenue if no appeal is taken or can be taken from
14 the department's order.

15 (d) Refunds ordered by the Oregon Tax Court or the Supreme Court if the order constitutes a
16 final determination of the matter.

17 (e) Refunds of taxes collected against real or personal property not within the jurisdiction of the
18 tax levying body.

19 (f) Refunds due to reductions in value ordered by a county board of property tax appeals where
20 no appeal is taken.

21 (g) Refunds due to reductions in value made pursuant to ORS 309.115.

22 (h) Refunds due to a claim for a war veteran's exemption for a prior tax year that is filed pur-
23 suant to ORS 307.262.

24 (3)(a) The interest provided by subsection (2) of this section shall be paid at the rate of one
25 percent per month, or fraction of a month, computed from the time the tax was paid or from the time
26 the first installment thereof was due, whichever is the later. If a discount [*were*] is given at the time
27 the taxes [*were*] are paid, interest shall be computed only on the net amount of taxes to be refunded.

28 **If any portion of a refund described in subsection (2) of this section results from an assess-**
29 **ment based on inaccurate information contained in a report filed by a taxpayer, interest shall**
30 **be computed on only the portion of the refund that is not attributable to the inaccurate in-**

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted.
New sections are in **boldfaced** type.

1 **formation contained in the taxpayer report.**

2 **(b) As used in this subsection, “report” means a return, statement or any other infor-**
3 **mation provided by a taxpayer in writing to the department or county assessor.**

4 **SECTION 2. The amendments to ORS 311.812 by section 1 of this 2007 Act apply to re-**
5 **funds for tax years beginning on or after July 1, 2007, and to refunds from appeals filed on**
6 **or after July 1, 2007.**

7 **SECTION 3. This 2007 Act takes effect on the 91st day after the date on which the reg-**
8 **ular session of the Seventy-fourth Legislative Assembly adjourns sine die.**

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