

House Bill 2232

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 and Office of Regulatory Streamlining of Department of Consumer and Business Services)

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**.

Permits county boards of property tax appeals to waive penalties for first-time delinquent real property or combined tax returns.

Applies to tax years beginning on or after July 1, 2007.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to delinquent property tax returns; creating new provisions; amending ORS 308.295 and
3 308.296; and prescribing an effective date.

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

5 **SECTION 1.** ORS 308.295 is amended to read:

6 308.295. (1) Each person, firm, corporation or association required by ORS 308.290 to file a re-
7 turn, other than a return reporting only taxable personal property, who or which has not filed a
8 return within the time fixed in ORS 308.290 or as extended, is delinquent.

9 (2) A delinquent taxpayer, except a taxpayer described in subsection (3) of this section, is sub-
10 ject to a penalty of \$1 for each \$1,000 (or fraction thereof) of assessed value of the property as de-
11 termined under ORS 308.146, but the penalty may not be less than \$10 or more than \$250.

12 (3) A delinquent taxpayer required by ORS 308.290 to file a return reporting principal or sec-
13 ondary industrial property, as defined in ORS 306.126, is subject to a penalty of \$10 for each \$1,000
14 (or fraction thereof) of assessed value of the property as determined under ORS 308.146, but the
15 penalty may not be less than \$10 or more than \$5,000.

16 (4) If a delinquency penalty provided in this section is imposed, the tax statement for the year
17 in which the penalty is imposed shall reflect the amount of the penalty and shall constitute notice
18 to the taxpayer.

19 (5)(a) Unless the penalty is the subject of an appeal under ORS 311.223, the county board of
20 property tax appeals [*may*], upon application of the taxpayer, **may** waive the liability:

21 (A) For all or a portion of the penalty upon a proper showing of good and sufficient cause[.
22 *However,*]; **or**

23 (B) **For all of the penalty if the year for which the return was filed was both the first**
24 **year that a return was required to be filed by the taxpayer and the first year for which the**
25 **taxpayer filed a return.**

26 (b) **Unless the taxpayer files a timely application in the same manner as an appeal under**
27 **ORS 309.100, the board may not consider** an application made under this subsection. [*shall not*
28 *be considered by the board unless filed timely and in the same manner as an appeal under ORS*
29 *309.100. There shall be no appeal*]

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 **(c) An appeal may not be taken** from the determination of the board under this subsection.

2 (6) If the board waives all or a portion of a penalty already imposed and entered on the roll, the
 3 person in charge of the roll shall cancel the waived penalty and enter the cancellation on the roll
 4 as an error correction under ORS 311.205 and, if the waived penalty has been paid, it shall be re-
 5 funded without interest under ORS 311.806.

6 **SECTION 2.** ORS 308.296 is amended to read:

7 308.296. (1) Each person, firm, corporation or association required by ORS 308.290 to file a re-
 8 turn reporting only taxable personal property, who or which has not filed a return within the time
 9 fixed in ORS 308.290 or as extended, shall be subject to a penalty as provided in this section.

10 (2) A taxpayer who files a return to which this section applies after March 1, or after April 15,
 11 if the taxpayer received an extension, but on or before June 1, is subject to a penalty equal to five
 12 percent of the tax attributable to the taxable personal property of the taxpayer.

13 (3) A taxpayer who files a return to which this section applies after June 1, but on or before
 14 August 1, is subject to a penalty equal to 25 percent of the tax attributable to the taxable personal
 15 property of the taxpayer.

16 (4) After August 1, a taxpayer who files a return to which this section applies or who fails to
 17 file a return shall be subject to a penalty equal to 50 percent of the tax attributable to the taxable
 18 personal property of the taxpayer.

19 (5) If a delinquency penalty provided in this section is imposed, the tax statement for the year
 20 in which the penalty is imposed shall reflect the amount of the penalty and shall constitute notice
 21 to the taxpayer.

22 (6)(a) Unless the penalty is the subject of an appeal under ORS 311.223, the county board of
 23 property tax appeals, upon application of the taxpayer, may waive the liability:

24 (A) For all or a portion of the penalty upon a proper showing of good and sufficient cause; or

25 (B) **For all of the penalty** if the year for which the return was filed was both the first year that
 26 a return was required to be filed by the taxpayer and the first year for which the taxpayer filed a
 27 return.

28 (b) **Unless the taxpayer files a timely application in the same manner as an appeal under**
 29 **ORS 309.100, the board may not consider** an application made under this subsection. [*shall not*
 30 *be considered by the board unless filed timely and in the same manner as an appeal under ORS*
 31 *309.100. There shall be no appeal]*

32 **(c) An appeal may not be taken** from the determination of the board under this subsection.

33 (7) If the board waives all or a portion of a penalty already imposed and entered on the roll, the
 34 person in charge of the roll shall cancel the waived penalty and enter the cancellation on the roll
 35 as an error correction under ORS 311.205 and, if the waived penalty has been paid, it shall be re-
 36 funded without interest under ORS 311.806.

37 **SECTION 3. The amendments to ORS 308.295 and 308.296 by sections 1 and 2 of this 2007**
 38 **Act apply to property tax years beginning on or after July 1, 2007.**

39 **SECTION 4. This 2007 Act takes effect on the 91st day after the date on which the reg-**
 40 **ular session of the Seventy-fourth Legislative Assembly adjourns sine die.**