

A-Engrossed
House Bill 2240

Ordered by the House April 13
Including House Amendments dated April 13

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

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.

Authorizes State Board of Tax Practitioners to adopt rules pursuant to Administrative Procedures Act. [*Increases maximum amount of fees that may be prescribed by board.*]

Requires board to set fees by rule.

Increases limitation on biennial expenditures from fees, moneys or other revenues, including Miscellaneous Receipts, but excluding lottery funds and federal funds, collected or received by board.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to authority of State Board of Tax Practitioners; amending ORS 673.685 and 673.730; lim-
3 iting expenditures; and declaring an emergency.

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

5 **SECTION 1.** ORS 673.685 is amended to read:

6 673.685. (1) [*The fees for licenses and registrations issued, renewed, reactivated or otherwise, and*
7 *for examinations under ORS 673.605 to 673.740 shall be prescribed by*] The State Board of Tax
8 Practitioners [*but shall not exceed the following*] **shall adopt by rule fees for:**

9 [(1)] (a) [*For*] Application for examination for a tax consultant's license[, \$70].

10 [(2)] (b) [*For*] Application for examination for a tax preparer's license[, \$40].

11 [(3)] (c) [*For*] Issuance or renewal of a tax consultant's license[, \$75].

12 [(4)] (d) [*For*] Issuance or renewal of a tax preparer's license[, \$65].

13 [(5)] (e) [*For*] Issuance or renewal of a tax consultant's inactive license[, \$50].

14 [(6)] (f) [*For*] Issuance or renewal of a tax preparer's inactive license[, \$35].

15 [(7)] (g) [*For*] Reactivation of a tax consultant's inactive license[, \$75; for] **or** reactivation of a
16 tax preparer's inactive license[, \$65].

17 [(8)] (h) [*For*] Restoration of lapsed license[, \$25].

18 [(9)] (i) [*For*] Issuance or replacement of a duplicate license[, \$10].

19 [(10)] (j) [*For*] Issuance of a replacement or duplicate tax consultant certificate[, \$15].

20 [(11)] (k) [*For*] Registration or registration renewal for a sole proprietorship, partnership, cor-
21 poration or other legal entity[, \$95].

22 [(12)] (l) [*For*] Issuance or renewal of a combined tax consultant's or tax preparer's license and
23 registration for a sole proprietorship, partnership, corporation or other legal entity[, \$120]. Eligibil-
24 ity for a combined license shall be determined under rules adopted by the board.

25 [(13)] (m) [*For*] Annual registration of a branch office of a sole proprietorship, partnership,

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 corporation or other legal entity[, \$5].

2 **(2) The fees established by the State Board of Tax Practitioners under this section are**
3 **subject to the prior approval of the Oregon Department of Administrative Services and, if**
4 **their adoption occurs between regular sessions of the Legislative Assembly, a report to the**
5 **Emergency Board. The fees may not exceed the cost of administering the regulatory program**
6 **of the State Board of Tax Practitioners pertaining to the purposes for which the fees are**
7 **established, as authorized by the Legislative Assembly within the board's budget, as that**
8 **budget may be modified by the Emergency Board.**

9 **SECTION 2.** ORS 673.730 is amended to read:

10 673.730. The State Board of Tax Practitioners shall have the following powers, in addition to the
11 powers otherwise granted by ORS 673.605 to 673.740, and shall have all powers necessary or proper
12 to carry the granted powers into effect:

13 (1) To determine qualifications of applicants for licensing as a tax consultant or a tax preparer
14 in this state; to cause examinations to be prepared, conducted and graded; and to issue licenses to
15 qualified applicants upon their compliance with ORS 673.605 to 673.740 and the rules of the board.

16 (2)(a) To restore the license of any tax consultant or preparer whose license has been suspended
17 or revoked.

18 (b) The power of the board to suspend any license under ORS 673.700 includes the power to
19 restore:

20 (A) At a time certain; or

21 (B) When the person subject to suspension fulfills conditions for reissuance set by the board.

22 (c) The power of the board to restore a license under paragraph (a) of this subsection specif-
23 ically includes the power to restore a license suspended or revoked for the reason that the person
24 has been convicted of a crime. In making a determination to restore a license, the board shall con-
25 sider the relationship of the facts which supported the conviction to the code of professional conduct
26 and all intervening circumstances in determining the fitness of the person to receive or hold a tax
27 consultant's or tax preparer's license.

28 *[(3) To prescribe fees, subject to ORS 673.685, and to collect fees.]*

29 *[(4) (3) To investigate alleged violations of ORS 673.605 to 673.740, or any rule or order adopted*
30 *thereunder. The board may keep information gathered pursuant to an investigation by the board*
31 *confidential until there is a final order or determination by the board, unless disclosure is consid-*
32 *ered necessary by the board for the investigation or prosecution of an alleged violation of ORS*
33 *673.605 to 673.740, or any rule or order adopted thereunder. The board may keep personal financial*
34 *information gathered pursuant to an investigation by the board confidential after a final order or*
35 *determination by the board, unless disclosure is considered necessary by the board for the investi-*
36 *gation or prosecution of an alleged violation of ORS 673.605 to 673.740, or any rule or order adopted*
37 *thereunder. For purposes of this subsection, personal financial information includes but is not lim-*
38 *ited to tax returns.*

39 *[(5) (4) To enforce the provisions of ORS 673.605 to 673.740 and to exercise general supervision*
40 *over tax consultant and tax preparer practice.*

41 *[(6) (5) To issue an order directed to a person to cease and desist from any violation or*
42 *threatened violation of ORS 673.615, 673.643, 673.705 or 673.712, or any rule or order adopted*
43 *thereunder, if the board has reason to believe that a person has been engaged, is engaging or is*
44 *about to engage in any violation of ORS 673.615, 673.643, 673.705 or 673.712, or any rule or order*
45 *adopted thereunder.*

1 [(7)] (6) To assess civil penalties within a cease and desist order issued under subsection [(6)]
2 (5) of this section if the board has reason to believe that a person has been engaged or is engaging
3 in any violation of ORS 673.615, 673.643, 673.705 or 673.712, or any rule or order adopted thereunder.
4 The civil penalty may not exceed \$5,000 per violation.

5 [(8)] (7) To formulate a code of professional conduct for tax consultants and tax preparers.

6 [(9)] (8) To assess against the licensee or any other person found guilty of violating any pro-
7 vision of ORS 673.605 to 673.740, or any rule or order adopted thereunder, in addition to any other
8 sanctions, the costs associated with the disciplinary or other action taken by the board.

9 [(10)] (9) To order that any person who has engaged in or is engaging in any violation of ORS
10 673.605 to 673.740, or any rule or order adopted thereunder, shall offer to rescind and pay restitution
11 to anyone harmed by the violation who seeks rescission.

12 (10) To adopt rules pursuant to ORS chapter 183 necessary to carry out the provisions
13 of ORS 673.605 to 673.740.

14 **SECTION 3. Notwithstanding any other law limiting expenditures, the limitation on**
15 **expenditures established by section 1, chapter _____, Oregon Laws 2007 (Enrolled House**
16 **Bill 5045), for the biennium beginning July 1, 2007, as the maximum limit for payment of ex-**
17 **penditures from fees, moneys or other revenues, including Miscellaneous Receipts, but excluding**
18 **lottery funds and federal funds, collected or received by the State Board of Tax Practitioners,**
19 **is increased by \$100,549.**

20 **SECTION 4. This 2007 Act being necessary for the immediate preservation of the public**
21 **peace, health and safety, an emergency is declared to exist, and this 2007 Act takes effect**
22 **on its passage.**