

House Bill 3045

Sponsored by COMMITTEE ON 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**.

Establishes fee on gross receipts derived from short-term vehicle rental operations. Transfers net fee revenues to State Police Account.

Applies to gross receipts from short-term vehicle rentals occurring on or after January 1, 2008.

A BILL FOR AN ACT

1
2 Relating to short-term vehicle rental operations; appropriating money; and providing for revenue
3 raising that requires approval by a three-fifths majority.

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

5 **SECTION 1. As used in sections 1 to 9 of this 2007 Act:**

6 (1) **"Fee payer" means a person subject to payment of fees under sections 1 to 9 of this**
7 **2007 Act who has obtained a license to engage in short-term vehicle rental operations under**
8 **section 3 of this 2007 Act.**

9 (2) **"Gross receipts" means the value accruing from transactions, without any deduction**
10 **for any costs, discounts, interest or other expenses associated with the transactions.**

11 (3) **"Short-term vehicle rental" means the lease or rental of a vehicle for a period of**
12 **fewer than 30 days and for which the minimum rental period for rental payment purposes is**
13 **at least 12 hours.**

14 (4) **"Vehicle" means a four-wheel passenger or station wagon type motor vehicle or any**
15 **other four-wheel motor vehicle of the utility, pickup body, sedan delivery or panel truck type**
16 **that does not have as its principal purpose the delivery of goods.**

17 **SECTION 2. There is imposed and shall be collected a fee for the privilege of engaging in**
18 **short-term vehicle rental operations. The fee shall be five percent of the gross receipts from**
19 **each short-term vehicle rental.**

20 **SECTION 3. (1) Each person seeking to engage in short-term vehicle rental operations**
21 **in this state shall apply for and obtain a short-term vehicle rental license from the Depart-**
22 **ment of Revenue. The application shall be on a form prescribed by the department and shall**
23 **be filed in the manner prescribed by the department.**

24 (2) **The department shall issue a short-term vehicle rental license to an applicant upon**
25 **the applicant's compliance with the security requirements established under section 4 of this**
26 **2007 Act.**

27 **SECTION 4. The Department of Revenue, to ensure compliance with sections 1 to 9 of**
28 **this 2007 Act, shall require a fee payer or an applicant for a short-term vehicle rental license**
29 **to deposit with the department such security as the department may determine. The amount**
30 **of the security shall be fixed by the department but may not be greater than two times the**
31 **estimated average quarterly fee liability for fees imposed under sections 1 to 9 of this 2007**

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 Act. The amount of the security may be increased or decreased by the department subject
2 to the limitations provided in this section. The security shall be in the form of a bond exe-
3 cuted as a surety by the fee payer or applicant as principal and by a corporation authorized
4 to engage in business as a surety company in this state, that is payable to the State of
5 Oregon through the department and that is conditioned upon the payment of all fees, penal-
6 ties and other obligations of the fee payer arising under sections 1 to 9 of this 2007 Act.

7 **SECTION 5.** A person engaged in short-term vehicle rental operations in this state on
8 the effective date of this 2007 Act shall obtain a short-term vehicle rental license from the
9 Department of Revenue on or before March 15, 2008.

10 **SECTION 6.** (1) Each fee payer shall keep records, render statements and comply with
11 rules adopted by the Department of Revenue with respect to the fee imposed under section
12 2 of this 2007 Act. Whenever in the judgment of the department it is necessary, the depart-
13 ment may require the fee payer, by notice served upon that person by first class mail, to
14 render statements or keep records sufficient to determine if there is fee liability under
15 sections 1 to 9 of this 2007 Act.

16 (2) Each fee payer shall file a fee report with the department on or before the 20th day
17 following the end of the calendar quarters ending March 31, June 30, September 30 and De-
18 cember 31. The report shall be on a form prescribed by the department and shall state total
19 gross receipts for that calendar quarter from short-term vehicle rental operations.

20 (3) The fee payer shall pay the amount of fees due under sections 1 to 9 of this 2007 Act
21 for the calendar quarter on the earlier of the date the fee report is filed with the department
22 or the date the report is required to be filed with the department.

23 (4) Each fee report filed under this section shall be made under penalties for false
24 swearing.

25 **SECTION 7.** If the amount paid by the fee payer to the Department of Revenue exceeds
26 the amount of fees payable, the department shall refund the amount of the excess with in-
27 terest thereon at the rate established under ORS 305.220 for each month or fraction of a
28 month from the date of payment of the excess until the date of the refund. A refund may
29 not be made to a fee payer who fails to claim the refund within two years after the due date
30 for filing of the fee report with respect to which the claim for refund relates.

31 **SECTION 8.** Unless the context requires otherwise, the provisions of ORS chapters 305,
32 314 and 317 regarding the audit and examination of reports and returns, determination of
33 deficiencies, assessments, claims for refunds, penalties, interest, jeopardy assessments,
34 warrants, confidentiality and disclosure of information, conferences and appeals to the
35 Oregon Tax Court, and procedures relating thereto, shall apply to sections 1 to 9 of this 2007
36 Act the same as if the fee were a tax imposed upon or measured by net income.

37 **SECTION 9.** All moneys received by the Department of Revenue pursuant to sections 1
38 to 9 of this 2007 Act shall be paid to the State Treasurer to be held in a suspense account
39 established under ORS 293.445. After payment of refunds:

40 (1) Amounts necessary to reimburse the department for the expenses of the department
41 under sections 1 to 9 of this 2007 Act, not to exceed _____ percent of the amount collected
42 under sections 1 to 9 of this 2007 Act, are continuously appropriated to the department for
43 the purpose of expense reimbursement; and

44 (2) The balance shall be transferred to the State Police Account established under ORS
45 181.175.

1 **SECTION 10.** Sections 1 to 9 of this 2007 Act apply to gross receipts from short-term
2 vehicle rentals occurring on or after January 1, 2008.
3 _____