

# Senate Bill 39

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## 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**.

Directs Department of Revenue to establish and promote voluntary compliance initiative for taxpayers who utilize listed transactions to underreport personal income or corporate income or excise taxes.

Establishes reporting and registration requirements and enhanced penalties for persons who use certain transactions, or who serve as material advisors for certain transactions, to underpay tax liability. Extends period for which notice of deficiency may be issued in cases in which returns reflect use of certain transactions to underpay tax liability.

Directs Department of Revenue to establish general tax amnesty program of limited duration. Waives penalties for personal income taxpayers who pay outstanding taxes. Increases penalties on taxpayers who fail to fully participate. Sunsets amnesty program January 2, 2012.

Requires mandatory withholding of income tax from distributions from employer-sponsored retirement plans.

Allows Department of Revenue to disclose certain income tax return information to local governments.

Takes effect on 91st day following adjournment sine die.

## A BILL FOR AN ACT

Relating to tax compliance; creating new provisions; amending ORS 314.410, 314.415, 314.840 and 316.189; and prescribing an effective date.

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

### VOLUNTARY COMPLIANCE INITIATIVE

**SECTION 1.** Sections 2 to 16 of this 2007 Act are added to and made a part of ORS chapter 314.

**SECTION 2.** As used in sections 2 to 13 of this 2007 Act:

(1) "Listed transaction" means any of the following transactions:

(a) A listed transaction under section 6707A of the Internal Revenue Code.

(b) A transaction involving a real estate investment trust that claims a deduction for consent dividends, the owners of which do not report income with respect to the consent dividends, and:

(A) That does business in Oregon, is organized in Oregon or has income from Oregon sources; or

(B) That is owned by an Oregon income or corporate excise taxpayer.

(c) A transaction in which a corporation forms a controlled regulated investment company under the Investment Company Act of 1940, and all of the following apply:

(A) The corporation transfers income-producing assets to the regulated investment company;

**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 (B) The regulated investment company claims a dividend-paid deduction under section 561  
 2 of the Internal Revenue Code;

3 (C) The corporation claims a dividend-received deduction with respect to the assets  
 4 transferred under subparagraph (A) of this paragraph; and

5 (D) The regulated investment company does business in Oregon, is organized in Oregon  
 6 or has income from Oregon sources or an owner of the regulated investment company is an  
 7 Oregon income or corporate excise taxpayer.

8 (d) A transaction that is substantially similar to a transaction described in paragraphs  
 9 (a) to (c) of this subsection.

10 (2) "Reportable transaction" means a transaction:

11 (a) That is a reportable transaction under section 6707A of the Internal Revenue Code;  
 12 or

13 (b) That is a listed transaction.

14 **SECTION 3.** (1) If required by rules adopted by the Department of Revenue:

15 (a) Any person who engages in a listed transaction as a buyer or transferor shall report  
 16 the transaction to the department.

17 (b) Any person who, as the result of a listed transaction, acquires an interest in property,  
 18 a present or future right to income, a present or future right to claim a loss, deduction,  
 19 credit, exemption or other tax benefit or a present or future right to an adjustment to basis  
 20 shall report the transaction to the department.

21 (c) Any person who is associated with a listed transaction in an association that the de-  
 22 partment has by rule identified as an association that requires reporting shall report the  
 23 transaction to the department.

24 (2) A listed transaction shall be reported to the department in the time, form and manner  
 25 prescribed by the department by rule. Rules adopted by the department under this section  
 26 may not apply to a listed transaction occurring in a tax year beginning before January 1,  
 27 2007.

28 **SECTION 4.** A person who is a material advisor to a reportable transaction under section  
 29 6111 of the Internal Revenue Code shall send a copy of the return required to be filed with  
 30 the Internal Revenue Service to the Department of Revenue within 20 days following the date  
 31 the return is required to be filed with the Internal Revenue Service, if the reportable trans-  
 32 action reported on the return occurs in a tax year that begins on or after January 1, 2007,  
 33 and satisfies any of the following conditions:

34 (1) The transaction occurs in this state; or

35 (2) At least one party to the transaction is an Oregon personal income taxpayer or an  
 36 Oregon corporate excise or income taxpayer.

37 **SECTION 5.** A person who engages in a listed transaction in this state as a seller or  
 38 other transferor and who is required to register with the taxing authority of another state  
 39 or with the Internal Revenue Service shall register with the Department of Revenue within  
 40 60 days after the later of:

41 (1) The effective date of this 2007 Act;

42 (2) The date a person acts as a seller or transferor in a listed transaction; or

43 (3) The date the transaction becomes a listed transaction.

44 **SECTION 6.** (1) In addition to and not in lieu of any other penalty, a penalty may be  
 45 imposed in an amount equal to 20 percent of that portion of an underpayment of tax that is

1 attributable to the use of a reportable transaction.

2 (2) A penalty may not be imposed under this section with respect to any underpayment  
3 of tax if:

4 (a) The underpayment is not attributable to a listed transaction;

5 (b) There was a reasonable cause for the underpayment;

6 (c) The taxpayer acted in good faith with respect to the underpayment;

7 (d) There is substantial authority for the tax treatment of the item that caused the  
8 underpayment; and

9 (e) The taxpayer reasonably believed that the tax treatment of the item that caused the  
10 underpayment was more likely than not the proper treatment.

11 (3)(a) For purposes of subsection (2)(e) of this section, a taxpayer shall be treated as  
12 having a reasonable belief if:

13 (A) The treatment was based on facts and law that existed at the time the return re-  
14 porting the item was filed; and

15 (B) The belief relates solely to the taxpayer's chances of success on the merits of the  
16 treatment and does not take into account the possibility that the return will not be audited,  
17 that issues over the treatment will not be raised on audit or that these issues will be re-  
18 solved through compromise or settlement if raised.

19 (b) Reliance on the advice of a tax advisor does not constitute grounds for reasonable  
20 belief if the tax advisor:

21 (A) Is a material advisor under section 4 of this 2007 Act with respect to the transaction;

22 (B) Is compensated by a person who is a material advisor under section 4 of this 2007  
23 Act with respect to the transaction;

24 (C) Participates in the organization, management, promotion or sale of a listed trans-  
25 action;

26 (D) Is related, under section 267(b) of the Internal Revenue Code, to a person who par-  
27 ticipates in the organization, management, promotion or sale of a listed transaction;

28 (E) Has a contingent fee arrangement with respect to a listed transaction that is con-  
29 tingent on all or part of the intended tax benefits from the transaction being sustained; or

30 (F) Under rules adopted by the Department of Revenue, has a continuing financial in-  
31 terest with respect to a listed transaction.

32 (4) Penalties imposed under this section shall be added to the tax liability of the taxpayer.

33 **SECTION 7.** (1) In addition to and not in lieu of any other penalty, an accuracy-related  
34 penalty may be imposed in an amount equal to 20 percent of that portion of an underpayment  
35 of tax due under ORS chapter 316, 317 or 318 that is attributable to:

36 (a) Negligence or disregard of tax law;

37 (b) A substantial understatement of tax;

38 (c) A substantial valuation misstatement that affects the amount of tax due under ORS  
39 chapter 316, 317 or 318; or

40 (d) A substantial overstatement of pension liabilities.

41 (2) The penalty imposed under this section shall be determined in accordance with  
42 sections 6662 and 6664 of the Internal Revenue Code.

43 (3) If there is an underpayment of tax that is attributable to a gross valuation mis-  
44 statement, as that term is defined under section 6662 of the Internal Revenue Code, the  
45 penalty under this section shall be equal to 40 percent of that portion of the underpayment

1 to which the gross valuation misstatement is attributable.

2 (4) Penalties imposed under this section shall be added to the tax liability of the taxpayer.

3 **SECTION 8.** (1) If a taxpayer has a listed transaction understatement for a tax year,  
4 there shall be added to the tax liability of the taxpayer for the tax year a penalty equal to  
5 40 percent of the amount of the understatement.

6 (2) The penalty imposed under this section is in addition to and not in lieu of any other  
7 penalty.

8 (3) As used in this section, "listed transaction understatement" means the sum of:

9 (a) The amount determined by multiplying the highest rate of tax imposed on the tax-  
10 payer under ORS chapter 316 or, if the taxpayer is a corporation, under ORS chapter 317 or  
11 318, by any net increase in taxable income that results from a difference between the proper  
12 tax treatment of a listed transaction and the treatment of the transaction on the return of  
13 the taxpayer; and

14 (b) The amount of any decrease in the aggregate amount of credits determined for pur-  
15 poses of ORS chapter 316 or, if the taxpayer is a corporation, for purposes of ORS chapter  
16 317 or 318, that results from the taxpayer's treatment of a listed transaction and the proper  
17 tax treatment of that transaction.

18 (4) The Department of Revenue may by rule further define "listed transaction under-  
19 statement" consistent with section 2 of this 2007 Act and subsection (3) of this section.

20 **SECTION 9.** (1) Notwithstanding section 7 or 8 of this 2007 Act, the Department of Re-  
21 venue may elect to impose penalties under section 7 of this 2007 Act or under section 8 of  
22 this 2007 Act with respect to the same taxpayer and the same tax year, but may not impose  
23 penalties under both sections 7 and 8 of this 2007 Act on the same taxpayer for the same tax  
24 year.

25 (2) Notwithstanding section 6, 7 or 8 of this 2007 Act or ORS 314.402, the total amount  
26 of penalties imposed under sections 6, 7 and 8 of this 2007 Act and ORS 314.402 may not ex-  
27 ceed 60 percent of the amount of any underpayment of tax due.

28 **SECTION 10.** (1)(a) A person is liable for a penalty determined under this subsection if  
29 the person fails to furnish a copy of a return that is required to be furnished to the De-  
30 partment of Revenue under section 4 of this 2007 Act on or before the date on which the copy  
31 is required to be furnished.

32 (b) The amount of the penalty shall be determined by the department. The penalty may  
33 not exceed the greater of:

34 (A) \$10,000; or

35 (B) Twenty-five percent of the gross income that the person derived from the reportable  
36 transactions reflected on returns required to be furnished under section 4 of this 2007 Act.

37 (2)(a) A person is liable for a penalty determined under this subsection if the person fails  
38 to comply with the registration requirements under section 5 of this 2007 Act by the date  
39 on which registration is required.

40 (b) The amount of the penalty shall be determined by the department. The penalty may  
41 not exceed the greater of:

42 (A) \$10,000; or

43 (B) Twenty-five percent of the gross income that the person derived from the listed  
44 transactions.

45 (3) The penalties imposed under subsection (1) or (2) of this section do not apply until the

1 60th day following the date the department issues a notice under section 11 of this 2007 Act  
 2 demanding compliance with section 4 or 5 of this 2007 Act.

3 (4) A penalty imposed under this section is in addition to and not in lieu of any other  
 4 penalty.

5 **SECTION 11.** (1) If the Department of Revenue believes that a person is required to file  
 6 a copy of a federal return under section 4 of this 2007 Act and has failed to do so by the date  
 7 required under section 4 of this 2007 Act, the department shall send a written notice to the  
 8 person demanding compliance with section 4 of this 2007 Act.

9 (2) If the department believes that a person is required to register under section 5 of this  
 10 2007 Act and the person has failed to register by the date prescribed in section 5 of this 2007  
 11 Act, the department shall send a written notice to the person demanding compliance with  
 12 section 5 of this 2007 Act.

13 (3) A person receiving a notice under this section may appeal to the Oregon Tax Court.  
 14 Notwithstanding ORS 305.565, an appeal does not stay the collection of a penalty imposed  
 15 under section 10 of this 2007 Act.

16 **SECTION 12.** (1) A penalty shall be imposed on a person who promotes a tax shelter if:

17 (a) The person is or would be subject to a penalty for promoting an abusive tax shelter  
 18 under section 6700 of the Internal Revenue Code; and

19 (b) The tax shelter satisfies any of the following conditions:

20 (A) The tax shelter is organized in this state.

21 (B) The tax shelter is doing business in this state.

22 (C) The tax shelter derives income from sources in this state.

23 (D) At least one investor in the tax shelter is an Oregon personal income taxpayer or an  
 24 Oregon corporate excise or income taxpayer.

25 (2) The amount of the penalty shall equal 100 percent of the amount of gross income  
 26 derived by the person in promoting the tax shelter.

27 (3) A penalty imposed under this section shall be in addition to and not in lieu of any  
 28 other penalty.

29 **SECTION 13.** Moneys collected under section 10 or 12 of this 2007 Act shall be considered  
 30 net revenue from the tax imposed under ORS chapter 316 for purposes of ORS 316.502.

31 **SECTION 14.** (1) The Department of Revenue shall develop and administer a voluntary  
 32 compliance initiative to be conducted during the period beginning on the later of the effective  
 33 date of this 2007 Act or November 1, 2007, and ending 90 days thereafter.

34 (2) The voluntary compliance initiative shall apply to tax liabilities attributable to listed  
 35 transactions for tax years beginning on or after January 1, 1999, and prior to January 1, 2007.

36 (3) The department shall publicize the voluntary compliance initiative so as to maximize  
 37 public awareness of and participation in the initiative.

38 (4) The department may prescribe forms, issue instructions, conduct public meetings and  
 39 undertake any other action necessary to maximize public participation in and compliance  
 40 with the initiative and the collection of tax liabilities to which the initiative applies.

41 (5) Notwithstanding any other provision of law, the department may enter into closing  
 42 agreements or installment payment agreements to facilitate the collection of tax liabilities  
 43 to which the initiative applies.

44 (6) Notwithstanding section 22 (2) of this 2007 Act, the provisions of sections 22 to 25 of  
 45 this 2007 Act apply to any taxpayer that participates in the voluntary compliance initiative

1 during the period described in section 15 (1) of this 2007 Act.

2 **SECTION 15.** (1) The voluntary compliance initiative described in section 14 of this 2007  
3 Act applies to any taxpayer that, during the period beginning on the later of the effective  
4 date of this 2007 Act or November 1, 2007, and ending 90 days thereafter:

5 (a) Files an amended return for each tax year for which the taxpayer has previously filed  
6 a return that reflected the use of a listed transaction to underreport the tax liability of the  
7 taxpayer for the tax year;

8 (b) For each return described in paragraph (a) of this subsection, reports all income from  
9 all sources, without regard to the listed transaction;

10 (c) Identifies on each return described in paragraph (a) of this subsection, or as other-  
11 wise prescribed by the Department of Revenue, that the return is being filed under the vol-  
12 untary compliance initiative; and

13 (d) Except as authorized under section 14 (5) of this 2007 Act, pays in full all taxes and  
14 interest due.

15 (2) With respect to each return filed in compliance with subsection (1) of this section:

16 (a) All penalties that would otherwise be imposed shall be waived; and

17 (b) A taxpayer may file a subsequent amended return seeking a refund of tax and may  
18 otherwise appeal the amount of tax or interest due with respect to any item reported on the  
19 amended return.

20 (3)(a) After the conclusion of the period described in subsection (1) of this section, the  
21 department may issue a notice of deficiency and impose any penalty, interest or other  
22 sanction with respect to the difference between the amount shown on a return filed under  
23 subsection (1) of this section and the correct amount of tax.

24 (b) A taxpayer may make written objections to the deficiency or request a conference  
25 as prescribed in ORS 305.265.

26 (c) If no written objection or request is received by the department, or as otherwise au-  
27 thorized by ORS 305.265, the department shall assess the deficiency as prescribed in ORS  
28 305.265 and the taxpayer may appeal the assessment as prescribed in ORS 305.265.

29 (4) Notwithstanding subsection (1) of this section, a taxpayer may not participate in the  
30 voluntary compliance initiative if, prior to November 1, 2007, the department has issued a  
31 notice of deficiency to the taxpayer or has assessed a tax with respect to any tax year for  
32 which the taxpayer could otherwise file an amended return under this section.

33 **SECTION 16.** The definitions in section 2 of this 2007 Act apply to sections 14 and 15 of  
34 this 2007 Act.

35 **SECTION 17.** Sections 14, 15, 16 and 19 of this 2007 Act are repealed on January 2, 2014.

36 **SECTION 18.** ORS 314.410 is amended to read:

37 314.410. (1) At any time within three years after the return was filed, the Department of Re-  
38 venue may give notice of deficiency as prescribed in ORS 305.265.

39 (2) If the department finds that gross income equal to 25 percent or more of the gross income  
40 reported has been omitted from the taxpayer's return, notice of the deficiency may be given at any  
41 time within five years after the return was filed.

42 (3) If the department finds that a return reports or reflects the use of a listed trans-  
43 action or a reportable transaction, as defined in section 2 of this 2007 Act, notice of a defi-  
44 ciency may be given at any time within six years after the return was filed.

45 [(3)(a)] (4)(a) The limitations to the giving of notice of a deficiency provided in this section

1 *[shall]* **do** not apply to a deficiency resulting from false or fraudulent returns, or in cases where no  
2 return has been filed.

3 (b)(A) If the Commissioner of Internal Revenue or other authorized officer of the federal gov-  
4 ernment or an authorized officer of another state's taxing authority makes a change or correction  
5 as described in ORS 314.380 (2)(a)(A) and, as a result of the change or correction, an assessment of  
6 tax or issuance of a refund is permitted under any provision of the Internal Revenue Code or ap-  
7 plicable law of the other state, or pursuant to an agreement between the taxpayer and the federal  
8 or other state taxing authority that extends the period in which an assessment of federal or other  
9 state tax may be made, then notice of a deficiency under any Oregon law imposing tax upon or  
10 measured by income for the corresponding tax year may be mailed within two years after the de-  
11 partment is notified by the taxpayer or the commissioner or other tax official of the correction, or  
12 within the applicable *[three-year or five-year]* period prescribed in subsections (1) *[and (2)]* **to (3)** of  
13 this section, whichever period expires later.

14 (B) A notice of deficiency mailed pursuant to this paragraph may assert any adjustment neces-  
15 sary to arrive at the correct amount of Oregon taxable income and Oregon tax liability for the tax  
16 year for which the federal or other state change or correction is made.

17 (c) If the taxpayer files an original or amended federal or other state return as described in ORS  
18 314.380 (2)(a)(B), the department may reduce any claim for refund as a result of a change in Oregon  
19 tax liability related to the original or amended federal or other state return, but may not give notice  
20 of a deficiency for an adjustment to Oregon tax liability following the expiration of the applicable  
21 period prescribed in subsections *[(1) and (2)]* **(1) to (3)** of this section and paragraph (a) of this  
22 subsection.

23 *[(4)]* **(5)** The tax deficiency must be assessed and notice of tax assessment mailed to the taxpayer  
24 or authorized representative, who is authorized in writing, within one year from the date of the  
25 notice of deficiency unless an extension of time is agreed upon as prescribed in subsection *[(6)]* **(7)**  
26 of this section.

27 *[(5)]* **(6)** Notwithstanding other provisions of this section, the period for the assessment of any  
28 deficiency attributable to any part of the gain realized upon the sale or exchange of the taxpayer's  
29 principal residence, as provided in section 1034 of the Internal Revenue Code (as in effect prior to  
30 the repeal of section 1034 of the Internal Revenue Code by the Taxpayer Relief Act of 1997 (P.L.  
31 105-34)), does not expire prior to the expiration of three years from the date the department is no-  
32 tified by the taxpayer of:

33 (a) The cost of purchasing the new residence which the taxpayer claims results in  
34 nonrecognition of any part of such gain;

35 (b) The taxpayer's intention not to purchase a new residence; or

36 (c) A failure to purchase a new residence within the period prescribed in section 1034 of the  
37 Internal Revenue Code (as in effect prior to the repeal of section 1034 of the Internal Revenue Code  
38 by the Taxpayer Relief Act of 1997 (P.L. 105-34)).

39 *[(6)]* **(7)** If, prior to the expiration of any period of time prescribed in this section for giving of  
40 notice of deficiency or of assessment, the department and the taxpayer consent in writing to the  
41 notice of deficiency being mailed or deficiency being assessed after the expiration of such prescribed  
42 period, notice of such deficiency may be mailed or the deficiency assessed at any time prior to the  
43 expiration of the period agreed upon. The period so agreed upon may be extended by subsequent  
44 agreements in writing made before the expiration of the period agreed upon.

45 *[(7)]* **(8)** In the case of a deficiency attributable to the application to the taxpayer of a net op-

erating loss carryback, notice of such deficiency may be mailed at any time before the expiration of the period within which notice of a deficiency for the taxable year of the net operating loss which results in such carryback may be mailed.

[(8)] (9) Notwithstanding the other provisions of this section, if any taxpayer agreed with the United States Commissioner of Internal Revenue or the taxing authority of another state for an extension, or renewals thereof, of the period for giving notices of deficiencies and assessing deficiencies in income tax for any year, the period for mailing notices of deficiencies of tax for such years and the period for filing a claim for refund under ORS 314.380 (2)(b) shall expire on the later of:

(a) The expiration of an applicable period described in subsections (1) to [(7) or (9)] (8) or (10) of this section; or

(b) Six months after the date of the expiration of the agreed period for assessing a deficiency.

[(9)(a)] (10)(a) Notwithstanding the other provisions of this section and ORS 314.415, the period for claiming a refund or giving a notice of deficiency with respect to an item that is shown or required to be shown on a taxpayer's return and that is attributable to a pass-through entity does not expire prior to three years from the date of the filing of the pass-through entity return to which the item on the taxpayer's return relates.

(b) As used in this subsection, "pass-through entity" means any entity that is recognized as a separate entity for federal income tax purposes, for which the owners are required to report income, gains, losses, deductions or credits from the entity for federal income tax purposes.

**SECTION 19.** Notwithstanding ORS 314.410 (3), if the Department of Revenue finds that a return reports or reflects the use of a listed transaction or a reportable transaction, both as defined in section 2 of this 2007 Act, notice of a deficiency may be given at any time before the expiration of the later of the following periods:

(1) Six years after the return was filed; or

(2) Two years after the conclusion of the period described in section 15 (1) of this 2007 Act.

**SECTION 20.** ORS 314.415 is amended to read:

314.415. (1) If the Department of Revenue determines pursuant to ORS 305.270 that the amount of the tax due is less than the amount theretofore paid, the excess shall be refunded by the department with interest at the rate established under ORS 305.220, for each month or fraction of a month during a period beginning 45 days after the due date of the return or the date the tax was paid, whichever is the later, to the time the refund is made.

(2)(a) The department may not allow or make a refund after three years from the time the return was filed, or two years from the time the tax (or a portion of the tax) was paid, whichever period expires later, unless before the expiration of this period a claim for refund is filed by the taxpayer in compliance with ORS 305.270. In any case, if the original return is not filed within three years of the due date, excluding extensions, of the return, the department may allow or make a refund only of amounts paid within two years from the date of the filing of the claim for refund. If a refund is disallowed for the tax year during which excess tax was paid for any reason set forth in this subsection, the department may not allow the excess as a credit against any tax occurring on a return filed for a subsequent year.

(b) The department may not make a refund if the tax owed after offsets for all amounts owed the state, or a county pursuant to a judgment obtained under ORS 169.151, is less than \$1.

(c) If a taxpayer would qualify under section 6511(h) of the Internal Revenue Code for a sus-



1 pension of the running of the periods specified for filing a claim for refund of federal income tax,  
2 the period specified in paragraph (a) of this subsection shall also be suspended.

3 (d) The department may not pay an employee interest on a refund of a tax withheld by an em-  
4 ployer if the interest would be for any period prior to the time the employee files a personal income  
5 tax return for the tax year involved or for any period prior to the day that is 45 days after the date  
6 when the employee's annual return for that year was filed or was due, whichever is later.

7 (e) The department may not pay interest on a refund of estimated tax paid under ORS 314.505  
8 to 314.525 or 316.557 to 316.589 if the interest would be for any period prior to the time the taxpayer  
9 files a tax return for the tax year involved or for any period prior to the day that is 45 days after  
10 the date when the tax return for that year was filed or was due, whichever is later.

11 (f) The amount of the refund, exclusive of interest on the refund, may not exceed the portion  
12 of the tax paid during the period preceding the filing of the claim or, if no claim is filed, then during  
13 the period preceding the allowance of the refund during which a claim might have been filed. Where  
14 there has been an overpayment of any tax imposed, the amount of the overpayment and interest on  
15 the overpayment shall be credited against any tax, penalty or interest then due from the taxpayer,  
16 and only the balance shall be refunded.

17 (g) Except as provided in ORS 305.265 (12), if, pursuant to a notice of deficiency or assessment,  
18 the taxpayer pays the amount specified in the notice, or any part thereof, and if, upon appeal, the  
19 Oregon Tax Court or the Oregon Supreme Court orders that all or any part of the deficiency amount  
20 specified in the notice and paid by the taxpayer be refunded, the amount so ordered to be refunded  
21 shall bear interest at the rate established for refunds in ORS 305.220. Interest shall be computed  
22 from the date of payment to the department. Nothing in this subsection shall require that interest  
23 be paid upon any amount for any period for which interest upon the same amount for the same pe-  
24 riod is required to be paid under ORS 305.419.

25 (3)(a) Notwithstanding any provision to the contrary in ORS 305.265 or 305.270 or subsection (1)  
26 or (2) of this section, if, prior to the expiration of the period prescribed in subsection (2) of this  
27 section, the department and the taxpayer consent in writing to the refund of tax after the expiration  
28 of the period prescribed:

29 (A) The department shall make the refund prior to the expiration of the period agreed upon; and

30 (B) The department may not make or allow a refund after the expiration of the period agreed  
31 upon unless a claim for refund is filed by the taxpayer before the expiration of the period agreed  
32 upon in compliance with the manner prescribed by the department. The period so agreed upon may  
33 be extended by subsequent agreements in writing made before the expiration of the period previ-  
34 ously agreed upon.

35 (b) The department may consent to extend the period during which a refund may be made only  
36 if the taxpayer has consented to the assessment of additional tax, if additional taxes are determined  
37 upon audit, after the expiration of the applicable [*three-year or five-year*] period prescribed in ORS  
38 314.410 (1) [*and (2)*] **to (3)**.

39 (4)(a) If the claim for credit or refund relates to an overpayment on account of the deductibility  
40 by the taxpayer, or by a partnership, of the worthlessness of a share of stock in a corporation, of  
41 the right to subscribe for or to receive a share of stock in a corporation, or of a debt, in lieu of the  
42 three-year period of limitation prescribed in subsection (2) of this section, the period shall be seven  
43 years from the date prescribed by law for the filing of the return for the year with respect to which  
44 the claim is made.

45 (b) If the claim described in paragraph (a) of this subsection is made after the expiration of the

1 three-year period prescribed in subsection (2) of this section, the department may not allow interest  
2 with respect to any credit or refund determined to be due upon the claim for the period beginning  
3 at the close of the three-year period prescribed in subsection (2) of this section and ending at the  
4 expiration of six months after the date on which the claim is filed.

5 (5)(a) If the claim for credit or refund relates to an overpayment attributable to a net operating  
6 loss carryback or a net capital loss carryback, in lieu of the three-year period of limitation pre-  
7 scribed in subsection (2) of this section, the period shall be the period that ends three years after  
8 the time prescribed by law for filing the return (including extensions) for the taxable year of the  
9 net operating loss or net capital loss that results in such carryback. In the case of such a claim, the  
10 amount of the credit or refund may exceed the portion of the tax paid within the period provided  
11 in subsection (1), (2) or (3) of this section, whichever is applicable, to the extent of the amount of  
12 the overpayment attributable to the carryback. If the allowance of a credit or refund of an over-  
13 payment of tax attributable to a net operating loss carryback or a net capital loss carryback is  
14 otherwise prevented by the operation of any law or rule of law other than ORS 305.150, relating to  
15 closing agreements, the credit or refund may be allowed or made if the claim for credit or refund  
16 is filed within the period provided in this subsection. To the extent that the carryback was not an  
17 issue in any proceeding in which the determination of a court, including the Oregon Tax Court, has  
18 become final, the claimed credit or refund applicable to that carryback may be allowed or made  
19 under this subsection.

20 (b) For purposes of subsection (1) or (2) of this section, if any overpayment of tax results from  
21 a carryback of a net operating loss or net capital loss, the overpayment shall be deemed not to have  
22 been made prior to the later of:

23 (A) The due date of the return for the taxable year in which such net operating loss or net  
24 capital loss arises;

25 (B) The date the return for the year in which the net operating loss or net capital loss arises  
26 is filed; or

27 (C) The date of filing of the return for the year to which the net operating loss or net capital  
28 loss is carried back.

29 (6) Notwithstanding any provision to the contrary in ORS 305.265 or 305.270 or this section, if  
30 the taxpayer has agreed with the United States Commissioner of Internal Revenue for an extension,  
31 or a renewal of an extension, of the period for proposing and assessing deficiencies in federal income  
32 tax for any year, the period within which a claim for credit or refund may be filed or credit or re-  
33 fund allowed or made if no claim is filed shall be the period provided within subsections (1) to (5)  
34 of this section or six months after the date of the expiration of the agreed period for assessing de-  
35 ficiency in federal income tax, whichever period expires later.

36 (7) If a joint return is filed, the department may make separate refunds at the request of either  
37 spouse. The separate refunds shall bear the same proportion to the total refund as the adjusted gross  
38 income of each spouse bears to the adjusted gross income of both spouses, or as otherwise deter-  
39 mined by the department.

40 (8) If a taxpayer entitled to a refund under subsection (1) of this section dies, the department  
41 may issue a draft for payment of such refund under the terms and conditions set out in ORS 293.490  
42 to 293.500 exercising the same powers and subject to the same restrictions pursuant to which the  
43 State Treasurer is authorized to pay the amounts of warrants, checks or orders under those statutes.

44 **SECTION 21. Sections 2 to 16 of this 2007 Act apply to tax years beginning on or after**  
45 **January 1, 1999.**

## GENERAL TAX AMNESTY PROGRAM

1  
2  
3       **SECTION 22.** (1) The Department of Revenue shall develop and administer a tax amnesty  
4 program for personal income taxpayers.

5       (2) The tax amnesty program shall be conducted during the period beginning July 1, 2008,  
6 and ending September 30, 2008.

7       (3) The tax amnesty program applies to tax years for which the department could issue  
8 a notice of deficiency under ORS 314.410, as amended and in effect on the day before the ef-  
9 fective date of this 2007 Act.

10       (4) The department shall publicize the tax amnesty program so as to maximize public  
11 awareness of and participation in the program.

12       (5) The department may prescribe forms, issue instructions, conduct public meetings and  
13 undertake any other action necessary to maximize public participation in and compliance  
14 with the tax amnesty program and the collection of tax liabilities to which the program ap-  
15 plies.

16       **SECTION 23.** (1) A personal income taxpayer who meets all of the following requirements  
17 during the period beginning July 1, 2008, and ending September 30, 2008, may participate in  
18 the tax amnesty program:

19       (a) The taxpayer was required to file a tax return under ORS chapter 314 or 316 or pay  
20 a tax imposed under ORS chapter 316 for a tax year that begins before January 1, 2007;

21       (b) The taxpayer files a completed amnesty application with the Department of Revenue,  
22 signed under penalty of perjury, to participate in the tax amnesty program; and

23       (c) Within 60 days after the conclusion of the tax amnesty program, the taxpayer does  
24 all of the following:

25       (A) Files a completed tax return for all tax years described in paragraph (a) of this sub-  
26 section for which the taxpayer had not previously filed a completed tax return;

27       (B) Files a completed amended tax return for all tax years described in paragraph (a) of  
28 this subsection for which the taxpayer underreported or underpaid the tax liability of the  
29 taxpayer; and

30       (C) Pays in full the taxes and interest due for all tax years described in paragraph (a) of  
31 this subsection or applies for an installment payment agreement under subsection (6) of this  
32 section that applies to the taxes and interest due for all tax years described in paragraph (a)  
33 of this subsection for which taxes remain unpaid.

34       (2) Notwithstanding subsection (1) of this section, a taxpayer may not participate in the  
35 tax amnesty program for any tax year for which the taxpayer is eligible to participate in the  
36 voluntary compliance initiative described in section 14 of this 2007 Act. The department shall  
37 give notice to any taxpayer seeking amnesty under this section who the department deter-  
38 mines is eligible to participate in the voluntary compliance initiative that the application for  
39 amnesty is being denied. At the discretion of the department and notwithstanding the dead-  
40 line for filing an amended return or paying amounts due under section 15 of this 2007 Act,  
41 a taxpayer receiving a notice under this subsection has an additional 60 days after the date  
42 of the notice in which to comply with section 15 of this 2007 Act.

43       (3) Notwithstanding subsection (1) of this section, a taxpayer may not participate in the  
44 tax amnesty program if, prior to July 1, 2008, the department has issued a notice of defi-  
45 ciency to the taxpayer or has assessed a tax for a tax year for which the taxpayer could

1 otherwise apply for amnesty under this section.

2 (4) In addition to the other requirements in subsection (1) of this section, a taxpayer who  
3 has filed a petition for bankruptcy protection under Title 11 of the United States Code may  
4 participate in the tax amnesty program if the taxpayer submits an order from a United  
5 States Bankruptcy Court allowing the taxpayer to participate in the tax amnesty program.

6 (5) A taxpayer who participates in the tax amnesty program described in this section  
7 may not request a refund with respect to any tax paid under the tax amnesty program and  
8 waives any right to appeal any tax reported on a tax return filed or paid under subsection  
9 (1) of this section or pursuant to an installment payment agreement entered into under  
10 subsection (6) of this section.

11 (6)(a) A taxpayer may apply for an installment payment agreement for the payment of  
12 taxes reported and due under subsection (1) of this section. The application shall be made  
13 on a form prescribed by the department and shall be due at the time the taxpayer applies for  
14 amnesty under subsection (1) of this section.

15 (b) The department shall enter into an installment payment agreement with a taxpayer  
16 who has applied under paragraph (a) of this subsection and shall establish a payment sched-  
17 ular if the department concludes that the agreement will facilitate the efficient collection of  
18 the outstanding tax liability.

19 (c) Any amount that remains unpaid under an installment payment agreement shall bear  
20 interest at the rate established under ORS 305.220 for each month, or fraction of a month,  
21 for which the amount remains unpaid.

22 (d) Under any installment payment agreement entered into under this subsection, all  
23 outstanding taxes and interest must be paid on or before December 31, 2009.

24 **SECTION 24.** (1) The Department of Revenue shall waive all applicable penalties that  
25 would otherwise apply to the taxes being reported and paid under section 23 of this 2007 Act  
26 for any taxpayer who fully complies with the tax amnesty program described in section 23  
27 of this 2007 Act, including criminal penalties that would otherwise apply under ORS 314.075  
28 and 314.991 (1).

29 (2)(a) If the department has entered into an installment payment agreement with the  
30 taxpayer, the failure of the taxpayer to fully comply with the terms of the installment pay-  
31 ment agreement shall render the waiver of penalties under subsection (1) of this section and  
32 the installment payment agreement void. The total amount of tax, interest and all applicable  
33 penalties shall become immediately due and payable.

34 (b) This subsection does not apply if the department determines that the failure to fully  
35 comply with the terms of the installment payment agreement is due to reasonable causes.

36 **SECTION 25.** (1) For any tax that was due for a tax year for which amnesty could be  
37 sought under section 23 of this 2007 Act and for which the taxpayer failed to file a return  
38 and failed to apply for amnesty, an amount equal to 25 percent of the total amount of unpaid  
39 tax that is otherwise due shall be added to the amount of outstanding tax liability.

40 (2) If, following the closure of the amnesty period specified in section 23 of this 2007 Act,  
41 the Department of Revenue issues a notice of deficiency with respect to an unreported or  
42 underreported tax liability, as shown on an original or amended tax return filed in conjunc-  
43 tion with an amnesty application filed under section 23 of this 2007 Act, an amount equal to  
44 25 percent of the total amount of unpaid tax that is otherwise due shall be added to the  
45 amount of outstanding tax liability.



1 under section 3405 of the Internal Revenue Code, it shall not be subject to withholding under this  
2 section.

3 (3)(a) Except as provided in paragraph (b) of this subsection, the payer of a designated distrib-  
4 ution shall withhold and be liable for payment of amounts required to be withheld under this section.

5 (b) In the case of any plan described in section 401(a), 403(a) or 457(b) of the Internal Revenue  
6 Code, or section 301(d) of the Tax Reduction Act of 1975, the plan administrator shall withhold and  
7 be liable for payment of amounts required to be withheld under this section, unless the plan ad-  
8 ministrator has directed the payer to withhold the tax and has provided the payer with the infor-  
9 mation required by rule of the department.

10 (4)(a) An individual may elect to have no withholding by a payer under subsection (2) of this  
11 section. If an individual has elected to have no federal withholding from payments or distributions  
12 described in this section the individual shall be deemed to have elected no withholding for state  
13 purposes, unless the individual notifies the payer otherwise.

14 (b) An election made under this subsection shall be effective as provided under rules  
15 promulgated by the department. The rules required under this paragraph shall provide the manner  
16 in which an election may be revoked and when such revocation shall be effective.

17 **(c) An election may not be made under this subsection with respect to any distribution**  
18 **for which federal income taxes are to be withheld or are required to be withheld under sec-**  
19 **tion 3405 of the Internal Revenue Code.**

20 (5) The payer of any periodic payment or nonperiodic distribution **for which an election may**  
21 **be made under subsection (4) of this section** shall give notice to the payee of the right to make  
22 [*an election to have no state withholding from the payment or distribution*] **the election.** The depart-  
23 ment shall provide by rule for the time and manner of giving the notice required under this sub-  
24 section.

25 (6) Any rules permitted or required to be promulgated by the department under this section  
26 shall, insofar as is practicable, be consistent with corresponding provisions of section 3405 of the  
27 Internal Revenue Code and regulations promulgated thereunder.

28 (7) Any designated distribution shall be treated as if it were wages paid by an employer to an  
29 employee within the meaning of ORS 316.162 to 316.221 for all other purposes of ORS 316.162 to  
30 316.221. In the case of any designated distribution not subject to withholding by reason of an  
31 election under subsection (4) of this section, the amount withheld shall be treated as zero.

32 **SECTION 29. The amendments to ORS 316.189 by section 28 of this 2007 Act apply to**  
33 **distributions made on or after January 1, 2008.**

## 34 35 DISCLOSURE OF TAX INFORMATION

36  
37 **SECTION 30.** ORS 314.840 is amended to read:

38 314.840. (1) The Department of Revenue may:

39 (a) Furnish any taxpayer, representative authorized to represent the taxpayer under ORS 305.230  
40 or person designated by the taxpayer under ORS 305.193, upon request of the taxpayer, represen-  
41 tative or designee, with a copy of the taxpayer's income tax return filed with the department for  
42 any year, or with a copy of any report filed by the taxpayer in connection with the return, or with  
43 any other information the department considers necessary.

44 (b) Publish lists of taxpayers who are entitled to unclaimed tax refunds.

45 (c) Publish statistics so classified as to prevent the identification of income or any particulars

1 contained in any report or return.

2 (d) Disclose a taxpayer's name, address, telephone number, refund amount, amount due, Social  
 3 Security number, employer identification number or other taxpayer identification number to the ex-  
 4 tent necessary in connection with collection activities or the processing and mailing of correspond-  
 5 ence or of forms for any report, return or claim required in the administration of ORS 310.630 to  
 6 310.706, any local tax under ORS 305.620, or any law imposing a tax upon or measured by net in-  
 7 come.

8 (2) The department also may disclose and give access to information described in ORS 314.835  
 9 to:

10 (a) The Governor of the State of Oregon or the authorized representative of the Governor:

11 (A) With respect to an individual who is designated as being under consideration for appoint-  
 12 ment or reappointment to an office or for employment in the office of the Governor. The information  
 13 disclosed shall be confined to whether the individual:

14 (i) Has filed returns with respect to the taxes imposed by ORS chapter 316 for those of not more  
 15 than the three immediately preceding years for which the individual was required to file an Oregon  
 16 individual income tax return.

17 (ii) Has failed to pay any tax within 30 days from the date of mailing of a deficiency notice or  
 18 otherwise respond to a deficiency notice within 30 days of its mailing.

19 (iii) Has been assessed any penalty under the Oregon personal income tax laws and the nature  
 20 of the penalty.

21 (iv) Has been or is under investigation for possible criminal offenses under the Oregon personal  
 22 income tax laws. Information disclosed pursuant to this paragraph shall be used only for the purpose  
 23 of making the appointment, reappointment or decision to employ or not to employ the individual in  
 24 the office of the Governor.

25 (B) For use by an officer or employee of the Oregon Department of Administrative Services duly  
 26 authorized or employed to prepare revenue estimates, or a person contracting with the Oregon De-  
 27 partment of Administrative Services to prepare revenue estimates, in the preparation of revenue  
 28 estimates required for the Governor's budget under ORS 291.201 to 291.226, or required for sub-  
 29 mission to the Emergency Board, or if the Legislative Assembly is in session, to the Joint Committee  
 30 on Ways and Means, and to the Legislative Revenue Officer under ORS 291.342, 291.348 and 291.445.  
 31 The Department of Revenue shall disclose and give access to the information described in ORS  
 32 314.835 for the purposes of this subparagraph only if:

33 (i) The request for information is made in writing, specifies the purposes for which the request  
 34 is made and is signed by an authorized representative of the Oregon Department of Administrative  
 35 Services. The form for request for information shall be prescribed by the Oregon Department of  
 36 Administrative Services and approved by the Director of the Department of Revenue.

37 (ii) The officer, employee or person receiving the information does not remove from the premises  
 38 of the Department of Revenue any materials that would reveal the identity of a personal or corpo-  
 39 rate taxpayer.

40 (b) The Commissioner of Internal Revenue or authorized representative, for tax purposes only.

41 (c) The proper officer of any state, [or] the District of Columbia **or any local government of**  
 42 **a state**, or their authorized representatives, for tax purposes only, if [such] **the state, [or] district**  
 43 **or local government** has a provision of law [which] **that** meets the requirements of any applicable  
 44 provision of the Internal Revenue Code as to confidentiality.

45 (d) The Multistate Tax Commission or its authorized representatives, for tax purposes only.

1 However, the Multistate Tax Commission may make such information available to the Commissioner  
2 of Internal Revenue or the proper officer of any state or the District of Columbia, or their author-  
3 ized representatives, for tax purposes only, if the state or district has a provision of law which meets  
4 the requirements of any applicable provision of the Internal Revenue Code as to confidentiality.

5 (e) The Attorney General, assistants and employees in the Department of Justice, or other legal  
6 representative of the State of Oregon, to the extent the department deems disclosure or access  
7 necessary for the performance of the duties of advising or representing the department pursuant to  
8 ORS 180.010 to 180.240 and the tax laws of this state.

9 (f) Employees of the State of Oregon, other than of the Department of Revenue or Department  
10 of Justice, to the extent the department deems disclosure or access necessary for such employees  
11 to perform their duties under contracts or agreements between the department and any other de-  
12 partment, agency or subdivision of the State of Oregon, in the department's administration of the  
13 tax laws.

14 (g) Other persons, partnerships, corporations and other legal entities, and their employees, to  
15 the extent the department deems disclosure or access necessary for the performance of such others'  
16 duties under contracts or agreements between the department and such legal entities, in the de-  
17 partment's administration of the tax laws.

18 (h) The Legislative Revenue Officer or authorized representatives upon compliance with ORS  
19 173.850. Such officer or representative shall not remove from the premises of the department any  
20 materials that would reveal the identity of any taxpayer or any other person.

21 (i) The Department of Consumer and Business Services, to the extent the department requires  
22 such information to determine whether it is appropriate to adjust those workers' compensation  
23 benefits the amount of which is based pursuant to ORS chapter 656 on the amount of wages or  
24 earned income received by an individual.

25 (j) Any agency of the State of Oregon, or any person, or any officer or employee of such agency  
26 or person to whom disclosure or access is given by state law and not otherwise referred to in this  
27 section, including but not limited to the Secretary of State as Auditor of Public Accounts under  
28 section 2, Article VI of the Oregon Constitution; the Department of Human Services pursuant to  
29 ORS 314.860 and 418.135; the Division of Child Support of the Department of Justice and district  
30 attorney regarding cases for which they are providing support enforcement services under ORS  
31 25.080; the State Board of Tax Practitioners, pursuant to ORS 673.710; and the Oregon Board of  
32 Accountancy, pursuant to ORS 673.415.

33 (k) The Director of the Department of Consumer and Business Services to determine that a  
34 person complies with ORS chapter 656 and the Director of the Employment Department to determine  
35 that a person complies with ORS chapter 657, the following employer information:

36 (A) Identification numbers.

37 (B) Names and addresses.

38 (C) Inception date as employer.

39 (D) Nature of business.

40 (E) Entity changes.

41 (F) Date of last payroll.

42 (L) The Director of Human Services to determine that a person has the ability to pay for care  
43 that includes services provided by the state institutions as described in ORS 179.321 or the Depart-  
44 ment of Human Services or to collect any unpaid cost of care as provided by ORS chapter 179.

45 (m) Employees of the Employment Department to the extent the Department of Revenue deems



1 disclosure or access to information on a combined tax report filed under ORS 316.168 is necessary  
2 to performance of their duties in administering the tax imposed by ORS chapter 657.

3 (n) The State Fire Marshal to assist the State Fire Marshal in carrying out duties, functions and  
4 powers under ORS 453.307 to 453.414, the employer or agent name, address, telephone number and  
5 standard industrial classification, if available.

6 (o) Employees of the Department of State Lands for the purposes of identifying, locating and  
7 publishing lists of taxpayers entitled to unclaimed refunds as required by the provisions of chapter  
8 694, Oregon Laws 1993. The information shall be limited to the taxpayer's name, address and the  
9 refund amount.

10 (p) In addition to the disclosure allowed under ORS 305.225, state or local law enforcement  
11 agencies to assist in the investigation or prosecution of the following criminal activities:

12 (A) Mail theft of a check, in which case the information that may be disclosed shall be limited  
13 to the stolen document, the name, address and taxpayer identification number of the payee, the  
14 amount of the check and the date printed on the check.

15 (B) The counterfeiting, forging or altering of a check submitted by a taxpayer to the Department  
16 of Revenue or issued by the Department of Revenue to a taxpayer, in which case the information  
17 that may be disclosed shall be limited to the counterfeit, forged or altered document, the name, ad-  
18 dress and taxpayer identification number of the payee, the amount of the check, the date printed  
19 on the check and the altered name and address.

20 (q) The United States Postal Inspection Service or a federal law enforcement agency, including  
21 but not limited to the United States Department of Justice, to assist in the investigation of the fol-  
22 lowing criminal activities:

23 (A) Mail theft of a check, in which case the information that may be disclosed shall be limited  
24 to the stolen document, the name, address and taxpayer identification number of the payee, the  
25 amount of the check and the date printed on the check.

26 (B) The counterfeiting, forging or altering of a check submitted by a taxpayer to the Department  
27 of Revenue or issued by the Department of Revenue to a taxpayer, in which case the information  
28 that may be disclosed shall be limited to the counterfeit, forged or altered document, the name, ad-  
29 dress and taxpayer identification number of the payee, the amount of the check, the date printed  
30 on the check and the altered name and address.

31 (r) The United States Financial Management Service, for purposes of facilitating the reciprocal  
32 offsets described in ORS 305.612.

33 (s) A municipal corporation of this state for purposes of assisting the municipal corporation in  
34 the administration of a tax of the municipal corporation that is imposed on or measured by income,  
35 wages or net earnings from self-employment. Any disclosure under this paragraph may be made only  
36 pursuant to a written agreement between the Department of Revenue and the municipal corporation  
37 that ensures the confidentiality of the information disclosed.

38 (3)(a) Each officer or employee of the department and each person described or referred to in  
39 subsection (2)(a), (e) to (k) or (m) to (p) of this section to whom disclosure or access to the tax in-  
40 formation is given under subsection (2) of this section or any other provision of state law, prior to  
41 beginning employment or the performance of duties involving such disclosure or access, shall be  
42 advised in writing of the provisions of ORS 314.835 and 314.991, relating to penalties for the vio-  
43 lation of ORS 314.835, and shall as a condition of employment or performance of duties execute a  
44 certificate for the department, in a form prescribed by the department, stating in substance that the  
45 person has read these provisions of law, that the person has had them explained and that the person

1 is aware of the penalties for the violation of ORS 314.835.

2 (b) The disclosure authorized in subsection (2)(q) of this section shall be made only after a  
3 written agreement has been entered into between the Department of Revenue and the person de-  
4 scribed in subsection (2)(q) of this section to whom disclosure or access to the tax information is  
5 given, providing that:

6 (A) Any information described in ORS 314.835 that is received by the person pursuant to sub-  
7 section (2)(q) of this section is confidential information that may not be disclosed, except to the ex-  
8 tent necessary to investigate or prosecute the criminal activities described in subsection (2)(q) of  
9 this section;

10 (B) The information shall be protected as confidential under applicable federal and state laws;  
11 and

12 (C) The United States Postal Inspection Service or the federal law enforcement agency shall  
13 give notice to the Department of Revenue of any request received under the federal Freedom of In-  
14 formation Act, 5 U.S.C. 552, or other federal law relating to the disclosure of information.

15 (4) The Department of Revenue may recover the costs of furnishing the information described  
16 in subsection (2)(k), (L) and (n) to (p) of this section from the respective agencies.

17  
18 **CAPTIONS**

19  
20 **SECTION 31. The unit captions used in this 2007 Act are provided only for the conven-**  
21 **ience of the reader and do not become part of the statutory law of this state or express any**  
22 **legislative intent in the enactment of this 2007 Act.**

23  
24 **EFFECTIVE DATE**

25  
26 **SECTION 32. This 2007 Act takes effect on the 91st day after the date on which the**  
27 **regular session of the Seventy-fourth Legislative Assembly adjourns sine die.**

28 \_\_\_\_\_