

**74<sup>th</sup> OREGON LEGISLATIVE ASSEMBLY – 2008 Special Session**  
**STAFF MEASURE SUMMARY**  
**SENATE FINANCE & REVENUE COMMITTEE**

**MEASURE: SB 1082**  
**CARRIER: Sen. Burdick**

**REVENUE: No Revenue Impact**

**FISCAL: No Fiscal Impact**

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<b>Action:</b>	Do Pass
<b>Vote:</b>	5-2-0
<b>Yeas:</b>	Burdick, Morse, Hass Monroe, Westlund
<b>Nays:</b>	Starr, Atkinson
<b>Exc.:</b>	
<b>Prepared By:</b>	Warner, Economist
<b>Meeting Dates:</b>	2/6

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**WHAT THE BILL DOES:** Requires the Department of Revenue to submit report to the Legislature on individual taxpayer compliance no later than February 1, 2009. The Department of Revenue is directed to prepare report using existing data. The report is to include an estimate of taxpayer compliance with existing law, identify taxpayer behavior that affects compliance and make recommendations to improve income tax compliance. In preparing the report, the Department of Revenue is to consult with the Legislative Revenue Office and “external” resources.

**ISSUES DISCUSSED:**

- Discussions with Ways & Means Committee in prior session
- Current Department of Revenue efforts to identify behavior associated with tax compliance problems.
- Difficulties state has retaining qualified auditors
- Experience in other states from expanding enforcement efforts

**EFFECT OF COMMITTEE AMENDMENTS:** No Amendments

**BACKGROUND:** In recent years, the Internal Revenue Service and a number of state revenue departments have made efforts to estimate the gap between the actual amount of income tax revenue collected and what should be legally collected under current law. In the 2007 legislative session the Ways & Means General Government subcommittee expressed interest in developing more accurate estimates of the amount of potential tax revenue that is not collected due to compliance issues. In response, the Department of Revenue has initiated efforts to improve the state’s understanding of both the causes and the magnitude of non-compliance.

**2/13/2008 10:25:58 AM**

*This summary has not been adopted or officially endorsed by action of the committee.*