

## **HB 2477**

## **Bill Overview**

This bill is a direct result of the work of the 2009-10 interim HB 2920 Government Efficiency Task Force lead by Representative Nathenson. That task force made a number of recommendations to improve government efficiency and effectiveness. One recommendation from that tax force report was to eliminate hard copy paper based notices and mailing methods in favor of electronic or other effective notification methods.

**This bill addresses 10 statutes that require notice by First Class mail, certified and registered mail, newspaper publication and mass mailing when less expensive or more effective means of notification are available.**

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## **Section by Section Detail**

### **Section 1**

- Amends ORS 308.225.
- This statute sets out the process to assure that 1) local governments receive the correct tax revenue and 2) taxpayers pay their taxes to the correct local governments
- All this section does, on page 2, lines 30-33, is to remove the requirement that the notice to the assessor and local government be by US mail.
- The statutory requirement that the assessor and local government be NOTIFIED is unchanged.

### **Section 2 and Section 3**

- Amends ORS 308.290
- This statute requires the department to produce, print and distribute the personal property tax return to all counties annually.
- In 2011, the department ordered printed & shipped 176,685 returns to the counties.
- Printing costs for the 2011 returns were \$7100.
- County cost of mailing approx. \$90,000 plus staff time.
- The forms are available on the web in downloadable/fillable and printable formats. (Adobe pdf)

### **Section 4**

- Amends ORS 308.580
- This statute requires the department to publish a notice in a newspaper that is printed in the state capital.
- This notice has provides no meaningful information to the public.
- Every year we publish as required. Cost of publication is \$1800.

### **Section 5**

- Amends ORS 308.582
- The only changes in Section 5 are conforming to those made in Sec. 4.

### **Section 6 and 7**

- Amends ORS 308A.327
- These two statutes allow the assessor to demand proof from the property owner as to its qualifying use.
- This type of demand is rarely used.
- Certified and registered mail is costly and does not always facilitate actual notice since often these notices are not accepted.
- For other similar special assessment programs "notice" is all that the law requires, it does not prescribe the method. See conservation easement under ORS 308A.465 or forestland under ORS 321.366 western forestland, ORS 321.845, eastern forestland and ORS 308A.113 remediation, ORS 3008A.116 nonexclusive farm use.
- Taxpayers' protections exist even if the first class mail is not received as they have the right to discuss the issue with the assessor and then appeal any adverse result.

### **Section 8**

- Amends ORS 309.025
- This section would eliminate the requirement for three weekly publications and retain the requirement for posting notice in conspicuous places in the county.
- The date for the beginning of the local board meetings is in statute and applies to every county board.
- All persons with business before the board get actual notice of the time and place for their hearing.

### **Section 9**

- Amends ORS 311.223
- When property is discovered that for whatever reason is not being taxed the assessor notifies the property owner. That notice essentially says, "we need to talk" in order to get the right property correctly taxed. After the records are corrected the assessor sends a second notice.
- The second notice is the subject of the statute in Section 9.
- There are many examples in the law of important notices send by regular mail such as the tax statement.
- A certified mail requirement evokes a sense of assurance. Yet often this type of notice is easily avoided.

- Taxpayers' protections exist even if the first class mail is not received as they have the right to discuss the issue with the assessor and then appeal any adverse result.

### **Section 10**

- Amends ORS 311.815
- This section proposes to eliminate a requirement for publication.
- The statute requires a blanket public notice that a refund is "on its way" to some unspecified people.
- The refund is sent by regular mail to those entitled to receive the refunds.
- This type of refund occurs rarely.
- Essentially anyone who is entitled to get a refund gets a refund and others who yet owe taxes will get a credit.

### **Section 11**

- Amends ORS 321.219
- This statute deals with an appeal of the annual forestland values.
- The notice is like a "notice of class action" which requires the Department to notify by certified mail or newspaper publication each forestland taxpayer in the market area.
- This is language carried over from the privilege tax years prior to 2003.
- In our collective memory no one recalls this ever happening.
- The department, by law, sets the values of forestland each year and we do that through a public process and hold a public hearing.