

**REVENUE: Revenue Impact Statement Issued**  
**FISCAL: Minimal Fiscal Impact**

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**Action:** Do Pass  
**Vote:** 8-0-0  
**Yeas:** Bailey, Bentz, Brewer, Gelser, Read, Wand, Barnhart, Berger  
**Nays:** 0  
**Exc.:** 0  
**Prepared By:** Paul Warner, Economist  
**Meeting Dates:** 3/23, 3/29

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**WHAT THE BILL DOES:** Allows Department of Revenue to grant extensions beyond 5-31-11 for tax amnesty program participants using installment plan for good cause.

**ISSUES DISCUSSED:**

- Results of amnesty program.
- Reasons for participants falling behind on payment plans.
- Potential revenue impact.

**EFFECT OF COMMITTEE AMENDMENTS:** No Amendments.

**BACKGROUND:** In 2009, the Legislature approved Oregon's first tax amnesty program with the passage of SB 880. The Department of Revenue conducted the program between October 1 and November 19, 2009. Under the program, personal income taxpayers could elect to make payments of overdue taxes through an installment plan. SB 880 set a firm deadline of May 31, 2011 for completion of payments under installment plans. Failure to complete payments leads to repayment in full including penalties and interest associated with overdue taxes. A number of participants are failing to maintain their payment schedules. The intent of SB 305 is to give the Department of Revenue discretion to allow extensions of payment schedules in those cases where the amnesty participant can show good cause for not making payments.