

House Bill 2555

Ordered printed by the Speaker pursuant to House Rule 12.00A (5). Pre-session filed (at the request of House Interim 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**.

Provides that Department of Revenue may accept electronic forms of payment of income tax due directly from taxpayer. Provides for payment by department of financial institution transaction fees associated with processing of electronic forms of payment. Establishes Electronic Tax Payment Fund. Continuously appropriates moneys in fund to department for administration of electronic payment of tax and payment of associated transaction fees.

Applies to income tax payments made for tax liabilities for tax years beginning on or after January 1, 2012.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to electronic payment of income tax; appropriating money; and prescribing an effective
3 date.

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

5 **SECTION 1. Section 2 of this 2011 Act is added to and made a part of ORS chapter 314.**

6 **SECTION 2. (1) As used in this section;**

7 **(a) "Credit card" has the meaning given that term in 15 U.S.C. 1602.**

8 **(b) "Debit card" has the meaning given the term "debit instrument" in 15 U.S.C. 1693n.**

9 **(c) "Electronic funds transfer" has the meaning given that term in ORS 293.525.**

10 **(2) The Department of Revenue may accept electronic forms of payment of the tax due**
11 **directly from the taxpayer using a credit card, debit card, electronic funds transfer or simi-**
12 **lar form of electronic payment. The taxpayer may contact the department by telephone or**
13 **using the Internet to initiate an electronic payment.**

14 **(3) The amount of payment received by the department using a method described in**
15 **subsection (2) of this section may not exceed \$_____ from a taxpayer for a tax year.**

16 **(4) The department may remit to a financial institution a transaction fee charged by the**
17 **financial institution for processing a payment described in this section. The fee does not in-**
18 **crease the tax liability of the taxpayer. A fee paid to a financial institution under this sub-**
19 **section may not exceed \$_____ per transaction.**

20 **SECTION 3. The Electronic Tax Payment Fund is established in the State Treasury,**
21 **separate and distinct from the General Fund. Interest earned by the Electronic Tax Pay-**
22 **ment Fund shall be credited to the fund. Moneys in the fund are continuously appropriated**
23 **to the Department of Revenue for the purposes of administering section 2 of this 2011 Act**
24 **and making payments to financial institutions as provided in section 2 (4) of this 2011 Act.**

25 **SECTION 4. Section 2 of this 2011 Act applies to income tax payments made for tax li-**
26 **abilities for tax years beginning on or after January 1, 2012.**

27 **SECTION 5. This 2011 Act takes effect on the 91st day after the date on which the 2011**

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 **session of the Seventy-sixth Legislative Assembly adjourns sine die.**

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