

House Bill 2853

Sponsored by Representative WINGARD (Pre-session filed.)

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**.

Modifies factors mass transit district must consider in making findings to support increasing payroll tax.

A BILL FOR AN ACT

1
2 Relating to mass transit taxes; amending ORS 267.385.

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

4 **SECTION 1.** ORS 267.385 is amended to read:

5 267.385. (1) To carry out the powers granted by ORS 267.010 to 267.390, a district may by ordi-
6 nance impose:

7 (a) An excise tax on every employer equal to not more than eight-tenths of one percent of the
8 wages paid with respect to the employment of individuals. [*For the same purposes, a district may by*
9 *ordinance impose*]

10 (b) A tax on each individual equal to not more than eight-tenths of one percent of the
11 individual's net earnings from self-employment.

12 (2) [*No*] **An** employer [*shall*] **may not** make a deduction from the wages of an employee to pay
13 all or any portion of a tax imposed under this section.

14 (3) The provisions of ORS 305.620 are applicable to collection, enforcement, administration and
15 distribution of a tax imposed under this section.

16 (4) [*At any time*] **If** an employer or individual fails to remit the amount of taxes when due under
17 an ordinance of the district board imposing a tax under this section, the Department of Revenue
18 may enforce collection by the issuance of a distraint warrant for the collection of the delinquent
19 amount and all penalties, interest and collection charges accrued thereon. [*Such warrant shall be*
20 *issued and may be enforced*] **The department shall issue and enforce the distraint warrant** in
21 the same manner and [*have*] the **distraint warrant has the** same force and effect as prescribed with
22 respect to warrants for the collection of delinquent state income taxes.

23 (5) Any ordinance adopted under subsection (1) of this section [*shall require*] **requires** an indi-
24 vidual having net earnings from self-employment from activity both within and without the district
25 taxable by the State of Oregon to allocate and apportion [*such*] **the** net earnings to the district in
26 the manner required for allocation and apportionment of income under ORS 314.280 and 314.605 to
27 314.675. [*Such*] **The** ordinance shall give the individual the option of apportioning income based on
28 a single factor designated by the ordinance.

29 (6) Any ordinance adopted under subsection (1) of this section with respect to net earnings from
30 self-employment may impose a tax for a taxable year measured by each individual's net earnings
31 from self-employment for the prior taxable year, whether [*such*] **the** prior taxable year begins before

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 or after November 1, 1981, or [*such*] **the** ordinance.

2 (7) Any ordinance imposing a tax authorized by subsection (1) of this section [*shall*] **does** not
3 apply to any business, trade, occupation or profession upon which a tax is imposed under ORS
4 267.360.

5 (8) The district board may not adopt an ordinance increasing a tax authorized by subsection (1)
6 of this section unless the board makes a finding that the economy in the district has recovered to
7 an extent sufficient to warrant the increase in tax. In making the finding, the board shall consider
8 regional employment **and unemployment, including the unemployment rate in the region,**
9 [*and*] income growth **and regional mass transit ridership.**

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