

Enrolled
Senate Bill 305

Printed pursuant to Senate Interim Rule 213.28 by order of the President of the Senate in conformance with pre-session filing rules, indicating neither advocacy nor opposition on the part of the President (at the request of Senate Interim Committee on Finance and Revenue)

CHAPTER

AN ACT

Relating to payments by tax amnesty program participants; amending section 2, chapter 710, Oregon Laws 2009; and prescribing an effective date.

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

SECTION 1. Section 2, chapter 710, Oregon Laws 2009, is amended to read:

Sec. 2. (1) A taxpayer who meets all of the following requirements during the period described in section 1 (2), **chapter 710, Oregon Laws 2009**, [of this 2009 Act] may participate in the tax amnesty program:

(a) The taxpayer was required to:

(A) File a tax return under ORS chapter 314, 316, 317 or 318 for a tax year that begins before January 1, 2008;

(B) Pay personal income tax imposed under ORS chapter 316 for a tax year or reporting period that begins before January 1, 2008;

(C) Pay tax imposed under ORS chapter 317 or 318 for a tax year or reporting period that begins before January 1, 2008;

(D) File a return under ORS chapter 118 and pay any required tax, if the return was due prior to January 1, 2008; or

(E) Pay any tax imposed on net earnings from self-employment pursuant to ORS 267.385, if required to do so prior to January 1, 2008;

(b) The taxpayer files a completed amnesty application with the department, signed under penalty of perjury, to participate in the tax amnesty program; and

(c) Within 60 days after the conclusion of the tax amnesty program, the taxpayer does all of the following:

(A) Files a completed tax return or report for all tax years or reporting periods described in paragraph (a) of this subsection for which the taxpayer had not previously done so;

(B) Files a completed amended tax return or report for all tax years or reporting periods described in paragraph (a) of this subsection for which the taxpayer underreported or underpaid the tax liability of the taxpayer; and

(C) Pays in full the taxes due, and 50 percent of the interest due, for all tax years or reporting periods described in paragraph (a) of this subsection or applies for an installment payment agreement under subsection (5) of this section that applies to the taxes and interest due for all tax years or reporting periods described in paragraph (a) of this subsection for which taxes remain unpaid.

(2) Notwithstanding subsection (1) of this section, a taxpayer may not participate in the tax amnesty program if, prior to the starting date of the period described in section 1 (2), **chapter 710, Oregon Laws 2009** [of this 2009 Act], the department has issued a notice of deficiency to the taxpayer or has assessed a tax for a tax year for which the taxpayer could otherwise apply for amnesty under this section.

(3) In addition to the other requirements in subsection (1) of this section, a taxpayer who has filed a petition for bankruptcy protection under Title 11 of the United States Code may participate in the tax amnesty program if the taxpayer submits an order from a United States Bankruptcy Court allowing the taxpayer to participate in the tax amnesty program.

(4) A taxpayer who participates in the tax amnesty program described in this section may not request a refund with respect to any tax paid under the tax amnesty program and waives any right to appeal any tax reported on a tax return or report filed or paid under subsection (1) of this section or pursuant to an installment payment agreement entered into under subsection (5) of this section.

(5)(a) A taxpayer may apply for an installment payment agreement for the payment of taxes reported and due under subsection (1) of this section. The application shall be made on a form prescribed by the department and shall be due at the time the taxpayer applies for amnesty under subsection (1) of this section.

(b) The department shall enter into an installment payment agreement with a taxpayer who has applied under paragraph (a) of this subsection and shall establish a payment schedule if the department concludes that the agreement will facilitate the efficient collection of the outstanding tax liability.

(c) Any interest that remains unpaid upon a taxpayer's entering an installment payment agreement shall be reduced by 50 percent.

(d) **Except as provided in paragraph (e) of this subsection**, under any installment payment agreement entered into under this subsection, all outstanding taxes and interest must be paid on or before May 31, 2011.

(e) **For good cause shown, the department may extend beyond May 31, 2011, the time for a taxpayer to make payments under an installment payment agreement entered into under this subsection.**

SECTION 2. This 2011 Act takes effect on the 91st day after the date on which the 2011 regular session of the Seventy-sixth Legislative Assembly adjourns sine die.

Passed by Senate March 3, 2011

.....
Robert Taylor, Secretary of Senate

.....
Peter Courtney, President of Senate

Passed by House April 6, 2011

.....
Bruce Hanna, Speaker of House

.....
Arnie Roblan, Speaker of House

Received by Governor:

.....M,....., 2011

Approved:

.....M,....., 2011

.....
John Kitzhaber, Governor

Filed in Office of Secretary of State:

.....M,....., 2011

.....
Kate Brown, Secretary of State