

Senate Bill 305

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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**.

Extends latest date by which taxes payable under installment payment agreements by participants in tax amnesty program must be paid. Allows Department of Revenue to grant further extensions for good cause shown.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to payments by tax amnesty program participants; amending section 2, chapter 710, Oregon
3 Laws 2009; and prescribing an effective date.

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

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

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

9 (a) The taxpayer was required to:

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

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

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

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

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

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

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

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

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

29 (C) Pays in full the taxes due, and 50 percent of the interest due, for all tax years or reporting

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 periods described in paragraph (a) of this subsection or applies for an installment payment agree-
2 ment under subsection (5) of this section that applies to the taxes and interest due for all tax years
3 or reporting periods described in paragraph (a) of this subsection for which taxes remain unpaid.

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

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

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

17 (5)(a) A taxpayer may apply for an installment payment agreement for the payment of taxes re-
18 ported and due under subsection (1) of this section. The application shall be made on a form pre-
19 scribed by the department and shall be due at the time the taxpayer applies for amnesty under
20 subsection (1) of this section.

21 (b) The department shall enter into an installment payment agreement with a taxpayer who has
22 applied under paragraph (a) of this subsection and shall establish a payment schedule if the depart-
23 ment concludes that the agreement will facilitate the efficient collection of the outstanding tax li-
24 ability.

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

27 (d) **Except as provided in paragraph (e) of this subsection,** under any installment payment
28 agreement entered into under this subsection, all outstanding taxes and interest must be paid on or
29 before [May 31,] **November 30, 2011.**

30 (e) **For good cause shown, the department may extend beyond November 30, 2011, the**
31 **time for a taxpayer to make payments under an installment payment agreement entered into**
32 **under this subsection.**

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

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