

Senate Bill 59

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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**.

Authorizes Department of Revenue to require withholding as payment of state income tax owed by persons contracting with state.

Applies to contract payments made on or after January 1, 2013.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to withholding of state income tax from payments to state contractors; and prescribing an
3 effective 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. The Department of Revenue may adopt rules providing that a person re-**
7 **quired to withhold and remit federal taxes under section 3402(t) of the Internal Revenue Code**
8 **may also be required to withhold and remit up to one percent of the contract payment as**
9 **payment of state income tax.**

10 **SECTION 3. Section 2 of this 2011 Act applies to contract payments made on or after**
11 **January 1, 2013.**

12 **SECTION 4. This 2011 Act takes effect on the 91st day after the date on which the 2011**
13 **session of the Seventy-sixth Legislative Assembly adjourns sine die.**

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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.