

317.057 Exemption of certain out-of-state financial institutions from tax; exception. (1)

As used in this section:

(a) "Extrajurisdictional institution" has the meaning given that term in ORS 706.008;

(b) "Foreign association" means a corporation organized to transact savings and loan business under federal law or under the laws of another state or territory of the United States, the home state or territory of which is a state or territory other than Oregon; and

(c) "Out-of-state bank" has the meaning given that term in ORS 706.008.

(2) Except as provided in this section and ORS 713.300, an out-of-state bank, extrajurisdictional institution or foreign association described in ORS 713.300, that engages in activities authorized under ORS 713.300, is not subject to any tax, license fee or charge for the privilege of doing business in this state or to any tax measured by net or gross income.

(3) If the out-of-state bank, extrajurisdictional institution or foreign association acquires any property given as security for a mortgage or trust deed, all income accruing to the out-of-state bank, extrajurisdictional institution or foreign association solely from the ownership, sale or other disposition of such property is subject to taxation in the same manner and on the same basis as income of corporations doing business in this state. [1999 c.30 §2; 2009 c.541 §18]

713.300 Out-of-state bank, extrajurisdictional institution or foreign association; activities that do not constitute transacting business in this state; filing statement with director; fee.

(1) For purposes of this section, "foreign association" means a corporation organized to transact savings and loan business under federal law or under the laws of another state or territory of the United States, the home state or territory of which is a state or territory other than Oregon.

(2) Subject to subsection (3) of this section, an out-of-state bank, extrajurisdictional institution or foreign association, without being authorized to transact banking business or savings and loan business in this state, may take, acquire, hold and enforce notes secured by mortgages or trust deeds and make commitments to purchase such notes. The out-of-state bank, extrajurisdictional institution or foreign association may foreclose the mortgages or trust deeds in the courts of this state, acquire the mortgaged property, hold, own and operate the property for a period not exceeding five years and dispose of the property. The activities authorized under this subsection by an out-of-state bank, extrajurisdictional institution or foreign association do not constitute transacting business in this state for the purposes of ORS chapter 60.

(3) Before an out-of-state bank, extrajurisdictional institution or foreign association engages in an activity described in subsection (2) of this section, the bank, institution or association shall first file with the Department of Consumer and Business Services a statement signed by the president, secretary, treasurer or general manager of the bank, institution or association indicating that the bank, institution or association designates the Director of the Department of Consumer and Business Services as the bank's, institution's or association's attorney for service of process. The out-of-state bank, extrajurisdictional institution or foreign association shall pay an initial filing fee of \$200 and an annual fee of \$200. The statement shall include the address of the principal place of business of the out-of-state bank, extrajurisdictional institution or foreign association.

(4) The Director of the Department of Consumer and Business Services, upon receiving service of process as authorized by subsection (3) of this section, immediately shall forward all documents served upon the director to the principal place of business of the out-of-state bank, extrajurisdictional institution or foreign association.

(5) The filing requirements of subsection (3) of this section do not apply to an out-of-state

bank or extranational institution that has obtained a certificate of authority to transact banking business in this state under ORS 713.020. Notwithstanding subsection (3) of this section, the out-of-state bank, extranational institution or foreign association may take, acquire, hold and enforce notes secured by mortgages or trust deeds, make commitments to purchase the notes and participate with other lenders authorized to do business in this state in making loans for which the notes are executed and delivered.

(6) An out-of-state bank, extranational institution or foreign association that indirectly engages in the activities described in subsection (2) of this section because of a beneficial interest in a pool of notes secured by mortgages or trust deeds need not comply with subsection (3) of this section. [1999 c.30 §4; 2009 c.541 §32]