

77TH OREGON LEGISLATIVE ASSEMBLY
2013 REGULAR SESSION
STAFF MEASURE SUMMARY
HOUSE REVENUE COMMITTEE

MEASURE: HB 2464 A
CARRIER:

REVENUE: Revenue Impact Statement Issued
FISCAL: Fiscal Impact Issued

Action: Do Pass as Amended, be printed Engrossed, and bill be Referred to Ways and Means

Vote: 5-4-0

Yeas: Bailey, Gelser, Read, Vega Pederson, Barnhart

Nays: Bentz, Berger, Conger, Davis

Exc.:

Prepared By: Chris Allanach, Economist

Meeting Dates: 2/21; 4/24; 5/1; 5/7

WHAT THE BILL DOES: Requires person engaged in a trade or business who makes a payment of at least \$600 for construction services to make reports to the payee and the Department of Revenue. Creates penalties for failure to file reports. Applies to payments made in tax years beginning on or after January 1, 2013.

ISSUES DISCUSSED:

- Government Accountability Office report on ways to reduce the tax gap
- Impact of third-party reporting on tax compliance
- Appropriate sizes of penalties
- Department of Revenue communication with taxpayers regarding changes

EFFECT OF COMMITTEE AMENDMENTS: Replaces bill

BACKGROUND: Under current law, all employers are required to submit copies of W-2 forms to the Department of Revenue and all employers are required to submit copies of certain information returns (the 1099-MISC, 1099-G, 1099-R, and W2-G forms) to the Department of Revenue for payments made to all business other than C-corporations. Current law does not contain any penalties for not filing the required forms. This bill would expand the requirement to submit information returns to payments made to C-corporations that pay for construction services and create penalties on all businesses for not submitting the required information to the Department of Revenue.

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