

## HOUSE AMENDMENTS TO HOUSE BILL 2464

By COMMITTEE ON REVENUE

May 14

1 In line 2 of the printed bill, after “compliance;” insert “creating new provisions; amending ORS  
2 305.217;”.

3 Delete lines 4 through 13 and insert:

4 **“SECTION 1. Section 2 of this 2013 Act is added to and made a part of ORS chapter 314.**

5 **“SECTION 2. (1) As used in this section:**

6 **“(a) ‘Construction services’ includes the erection, excavation, installation, alteration,  
7 addition, modification, repair, improvement, demolition, destruction, dismantling or removal  
8 of all or any part of a building, structure, dock, wharf, surface or subsurface construction  
9 on or attached to any real property.**

10 **“(b) ‘Payee’ means a person, corporation, partnership, association or limited liability  
11 company engaged in the performance of construction services.**

12 **“(c) ‘Payment’ does not include wages paid to an employee of the payor.**

13 **“(d) ‘Payor’ means a person engaged in a trade or business that makes payment, in the  
14 course of the trade or business, for the performance of construction services. ‘Payor’ does  
15 not include a person that does not, in the ordinary course of the person’s business, engage  
16 in contracting for construction services.**

17 **“(2) A payor that makes payment of \$600 or more during the tax year to a payee for the  
18 performance of construction services, or for the performance of construction services and  
19 for materials or equipment, shall make a report to the payee and to the Department of Re-  
20 venue. The payor shall make the report to the payee on or before the 31st of January fol-  
21 lowing the tax year in which the payment was made. The report must be made in the manner  
22 and on a form prescribed by the department and must include:**

23 **“(a) The name and address of the payor;**

24 **“(b) The name, address and tax identification number of the payee;**

25 **“(c) The total amount that the payor paid to the payee during the tax year; and**

26 **“(d) Any other information that the department requires.**

27 **“(3) The Director of the Department of Revenue shall transmit the information contained  
28 in all reports received under this section to the Director of the Employment Department no  
29 later than the last day of the month following the calendar quarter in which the report was  
30 received. The Department of Revenue may share the reports required under this section,  
31 upon request, with any state or federal law enforcement agency.**

32 **“(4)(a) A person who fails to file a report required under this section, or a return or re-  
33 port required under ORS 314.360 or 316.202, or who files an incomplete or incorrect return  
34 or report, shall be subject to a penalty of \$50 per information return after the date on which  
35 the return or report is due, up to a maximum penalty of \$2,500.**

1       “(b) A person who knowingly fails to file a report required under this section, or a return  
2 or report required under ORS 314.360 or 316.202, or who knowingly files an incomplete, false  
3 or misleading return or report, shall be subject to a penalty of \$250 per information return  
4 after the date on which the return or report is due, up to a maximum penalty of \$25,000.

5       “(5) The Department of Revenue may by rule establish procedures for carrying out the  
6 provisions of this section. The department may further define by rule the terms defined in  
7 this section in a manner consistent with this section.

8       “**SECTION 3.** ORS 305.217 is amended to read:

9       “305.217. [No] A deduction [*shall be*] **is not** allowed under ORS chapter 316, 317 or 318 to an  
10 individual or entity for amounts paid as wages or as remuneration for personal services if that in-  
11 dividual or entity fails to report the payments as required by ORS 314.360 or 316.202 **or section 2**  
12 **of this 2013 Act** on the date prescribed therefor (determined with regard to any extension of time  
13 for filing) unless it is shown that the failure to report is due to reasonable cause and not done with  
14 the intent to evade payment of the tax imposed by ORS chapter 316 or to assist another in evading  
15 the payment of such tax.

16       “**SECTION 4.** Section 2 of this 2013 Act and the amendments to ORS 305.217 by section  
17 **3 of this 2013 Act** apply to payments made in tax years beginning on or after January 1, 2013.

18       “**SECTION 5.** This 2013 Act takes effect on the 91st day after the date on which the 2013  
19 regular session of the Seventy-seventh Legislative Assembly adjourns sine die.”.

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