

# House Bill 3088

Sponsored by Representative KENNEMER (at the request of Daniel O. Stearns, USTPC, EA, LTC)

## 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**.

Provides for cancellation, after 20 years, of uncollected tax debt, penalties and interest.  
Takes effect on 91st day following adjournment sine die.

## A BILL FOR AN ACT

1  
2 Relating to a statute of limitations on tax debt; amending ORS 305.155; and prescribing an effective  
3 date.

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

5 **SECTION 1.** ORS 305.155 is amended to read:

6 305.155. (1) The Department of Revenue shall cancel an unpaid tax imposed by laws of the State  
7 of Oregon that is collected by the department, including any penalty or interest applicable to the  
8 tax, if the department determines that:

- 9 (a) The tax has been delinquent for seven or more years;
- 10 (b) All reasonable efforts have been made to effect collection;
- 11 (c) The taxpayer cannot be located or is dead; and
- 12 (d) The tax is wholly uncollectible.

13 (2) The department may cancel any tax imposed by laws of the State of Oregon that is collected  
14 by the department or any portion of the tax assessed against a person, including any penalty and  
15 interest that has not been collected, if the department determines that the administration and col-  
16 lection costs involved would exceed the amount that can reasonably be expected to be recovered.

17 **(3) Notwithstanding ORS 305.157 and subsections (1) and (2) of this section, the depart-**  
18 **ment shall cancel any tax imposed by laws of the State of Oregon that is collected by the**  
19 **department or any portion of the tax assessed against a person, including any penalty and**  
20 **interest that has not been collected, if at least 20 years have passed since the date that the**  
21 **tax was first due and payable.**

22 [(3)] (4) When taxes are canceled under [*subsection (1) or (2) of*] this section, the department  
23 shall make an order canceling the tax, penalties and interest. The order shall be filed in the records  
24 of the department. Upon making the order, the department also shall cause to be canceled or re-  
25 leased any lien of record in the counties that may have been filed and entered therein.

26 **SECTION 2. This 2013 Act takes effect on the 91st day after the date on which the 2013**  
27 **regular session of the Seventy-seventh 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.