

**PROPOSED AMENDMENTS TO
B-ENGROSSED HOUSE BILL 2464**

1 On page 1 of the printed B-engrossed bill, line 2, after “provisions;” delete
2 the rest of the line and insert “amending ORS 314.360 and 316.202;”.

3 Delete lines 5 through 25 and delete page 2 and insert:

4 **“SECTION 1.** ORS 314.360 is amended to read:

5 “314.360. (1) Fiduciaries required to make returns under laws imposing tax
6 upon or measured by net income, proprietorships, partnerships, corporations,
7 joint stock companies or associations or insurance companies, having places
8 of business in this state, in whatever capacity acting, including lessees or
9 mortgagors of real or personal property, fiduciaries, employers, purchasers
10 of stumpage and all officers and employees of the state or of any political
11 subdivisions of the state, having the control, custody, disposal or payment
12 of interest (other than interest coupons payable to bearer), rent, dividends,
13 salaries, fees, wages, the purchase price of stumpage, emoluments or other
14 fixed or determinable annual or periodical gains, profits and income, paid
15 or payable, during any year to any taxpayer, shall make return thereof, un-
16 der oath, to the Department of Revenue, under such regulations and in such
17 form and manner and to such extent as it may prescribe.

18 “(2)(a) Every person doing business as a broker shall, when required by
19 the department, render a correct return duly verified under oath, under such
20 rules and regulations as the department may prescribe, showing the names
21 of customers for whom such person has transacted any business, with such
22 details as to the profits, losses, or other information which the department

1 may require, as to each of such customers, as will enable the department to
2 determine whether all income tax due on profits or gains of such customers
3 has been paid.

4 “(b) Every person who is required to file a return with respect to a real
5 estate transaction under section 6045(e) of the Internal Revenue Code shall
6 file a copy of that return with the department.

7 “(3) The department may prescribe circumstances under which the filing
8 requirements under this section are waived.

9 “(4) **In addition to any other penalty provided by law:**

10 “(a) **A person who fails to file a return required under this section,**
11 **or who files an incomplete or incorrect return, shall be subject to a**
12 **penalty of \$50 per information return after the date on which the re-**
13 **turn is due, up to a maximum penalty of \$2,500.**

14 “(b) **A person who knowingly fails to file a return required under**
15 **this section, or who knowingly files an incomplete, false or misleading**
16 **return, shall be subject to a penalty of \$250 per information return**
17 **after the date on which the return is due, up to a maximum penalty**
18 **of \$25,000.**

19 “SECTION 2. ORS 316.202 is amended to read:

20 “316.202. (1) With each payment made to the Department of Revenue, ev-
21 ery employer shall deliver to the department, on a form prescribed by the
22 department showing the total amount of withheld taxes in accordance with
23 ORS 316.167 and 316.172, and supply such other information as the depart-
24 ment may require. The employer is charged with the duty of advising the
25 employee of the amount of moneys withheld, in accordance with such regu-
26 lations as the department may prescribe, using printed forms furnished or
27 approved by the department for such purpose.

28 “(2) Except as provided in subsection (4) of this section, every employer
29 shall submit a combined quarterly return to the department on a form pro-
30 vided by it showing the number of payments made, the withheld taxes paid

1 during the quarter and an explanation of federal withholding taxes as com-
2 puted by the employer. The report shall be filed with the department on or
3 before the last day of the month following the end of the quarter.

4 “(3) The employer shall make an annual return to the department on
5 forms provided or approved by it, summarizing the total compensation paid
6 and the taxes withheld for all employees during the calendar year and shall
7 file the same with the department on or before the due date of the corre-
8 sponding federal return for the year for which report is made. Failure to file
9 the annual report without reasonable excuse on or before the 30th day after
10 notice has been given to the employer of failure subjects the employer to a
11 penalty of \$100. The department may by rule require additional information
12 the department finds necessary to substantiate the annual return, including
13 but not limited to copies of federal form W-2 for individual employees, and
14 may prescribe circumstances under which the filing requirement imposed by
15 this subsection is waived.

16 “(4) Notwithstanding the provisions of subsection (2) of this section, em-
17 ployers of agricultural employees may submit returns annually showing the
18 number of payments made and the withheld taxes paid. However, such em-
19 ployers shall make and file a combined quarterly tax report with respect to
20 other tax programs, as required by ORS 316.168.

21 “(5) **In addition to the penalty required under subsection (3) of this**
22 **section and any other penalty required by law:**

23 “(a) **A person who fails to file a report required under this section,**
24 **or who files an incomplete or incorrect report, shall be subject to a**
25 **penalty of \$50 per report after the date on which the report is due, up**
26 **to a maximum penalty of \$2,500.**

27 “(b) **A person who knowingly fails to file a report required under**
28 **this section, or who knowingly files an incomplete, false or misleading**
29 **report, shall be subject to a penalty of \$250 per report after the date**
30 **on which the report is due, up to a maximum penalty of \$25,000.**

1 **“SECTION 3. The amendments to ORS 314.360 and 316.202 by**
2 **sections 1 and 2 of this 2013 Act apply to payments made in tax years**
3 **beginning on or after January 1, 2013.**

4 **“SECTION 4. This 2013 Act takes effect on the 91st day after the**
5 **date on which the 2013 regular session of the Seventy-seventh Legis-**
6 **lative Assembly adjourns sine die.”.**

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