

**78<sup>th</sup> OREGON LEGISLATIVE ASSEMBLY – 2015 Session  
BUDGET REPORT AND MEASURE SUMMARY**

**MEASURE: HB 5038-A**

**JOINT COMMITTEE ON WAYS AND MEANS**

**Carrier – House: Rep.  
Carrier – Senate: Sen.**

---

**Action:**

**Vote:**

House

Yeas:

Nays:

Exc:

Senate

Yeas:

Nays:

Exc:

**Prepared By:** Travis Miller, Department of Administrative Services

**Reviewed By:** Krista McDowell, Legislative Fiscal Office

**Meeting Date:** April 30, 2015

---

Agency

Oregon Board of Tax Practitioners

Biennium

2015-17

## **Budget Summary\***

	<b>2013-15 Legislatively Approved Budget<sup>(1)</sup></b>	<b>2015-17 Current Service Level</b>	<b>2015-17 Committee Recommendation</b>	<b>Committee Change from 2013-15 Leg. Approved</b>	
				<u>\$ Change</u>	<u>% Change</u>
Other Funds Limited	\$ 1,183,845	\$ 1,242,678	\$ 1,242,678	\$ 58,833	5.0%
Total	\$ 1,183,845	\$ 1,242,678	\$ 1,242,678	\$ 58,833	5.0%

## **Position Summary**

Authorized Positions	4	4	4	0
Full-time Equivalent (FTE) positions	4.00	4.00	4.00	0.00

<sup>(1)</sup> Includes adjustments through December 2014

\* Excludes Capital Construction expenditures

## **Revenue Summary**

The Board of Tax Practitioners' revenues are exclusively Other Funds and principally derived from annual licensing and business registration fees. Fees are also charged for the administration of licensing examinations. License (new and renewal), application and exam fees comprise nearly 95 percent of all revenue collected by the Board. The remaining revenue is derived from civil penalties and interest.

## **Summary of General Government Subcommittee Action**

The Board protects consumers by ensuring Oregon tax practitioners are competent and ethical in their professional activities. The Board carries out its mission through three primary programs, Licensing, Examination and Education and Compliance Enforcement. The Licensing Program provides licenses to those people who have demonstrated their competence and ethical standards established by the Board. The Examination and Education Program coordinates the administration of competency examinations to new applicants to ensure their comprehension of the state and federal tax code prior to being issued a license. The program also monitors the continuing education requirements by reviewing and approving courses that will enhance the licensee's knowledge of the tax law. The Compliance Enforcement Program researches all complaints and possible violations of the laws and rules governing tax preparation.

The Subcommittee approved a budget of \$1,242,678 Other Funds. The approved budget is a 5.0 percent increase from the 2013-15 Legislatively Approved Budget. It includes four positions and 4.00 full-time equivalents (FTE).

Additionally, the Board is currently undergoing a recruitment process for the Executive Director position. Once the position is filled it is anticipated that the agency will seek to update components of its current licensing system. The approved budget does not authorize any additional expenditure limitation for actions beyond the agency's current service level. If the agency determines additional expenditure limitation is needed for the licensing system project, the request will be made in the interim, at which point the agency may present the project budget and other foundational documents necessary for additional expenditure authorization approval.

The Subcommittee approved the following adjustments to the Board's current service level budget:

*Package 801: LFO Analyst Adjustments.* This package is a revenue reduction package in the amount of \$95,480 Other Funds. This reduction reflects the \$10 temporary licensing fee reduction that was implemented by the Board in August, 2013. Based on this revenue adjustment the anticipated ending fund balance is \$268,152, which calculates to an equivalent of 5.18 months of operating expenditures.

### **Summary of Performance Measure Action**

See attached Legislatively Adopted 2015-17 Key Performance Measures

**DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION**

**HB5038-A**

**Oregon Board of Tax Practitioners**  
**Travis Miller -- (503) 373-1109**

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
2013-15 Legislatively Approved Budget at Dec 2014 *	\$ -	\$ -	\$ 1,183,845	\$ -	\$ -	\$ -	\$ 1,183,845	4	4.00
2015-17 Current Service Level (CSL)*	\$ -	\$ -	\$ 1,242,678	\$ -	\$ -	\$ -	\$ 1,242,678	4	4.00
<u>SUBCOMMITTEE ADJUSTMENTS (from CSL)</u>									
<b>SCR010-01 - General Program</b>									
Package 801: LFO Analyst Adjustment									
Revenue Only	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0	
TOTAL ADJUSTMENTS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0	0.00
SUBCOMMITTEE RECOMMENDATION *	\$ -	\$ -	\$ 1,242,678	\$ -	\$ -	\$ -	\$ 1,242,678	4	4.00
% Change from 2013-15 Leg Approved Budget	0.0%	0.0%	5.0%	0.0%	0.0%	0.0%	5.0%		
% Change from 2015-17 Current Service Level	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		

\*Excludes Capital Construction Expenditures