

House Bill 2169

Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at the request of House Interim Committee on Revenue)

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**.

Requires state agencies, boards and commissions that issue grants to require grant applicants to demonstrate and maintain tax compliance as condition of issuance or renewal of grant.

Becomes operative on date Director of Department of Revenue determines Department of Revenue has established electronic system to allow agencies, boards and commissions to determine tax compliance.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to tax compliance; and declaring an emergency.

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

4 **SECTION 1. Section 2 of this 2015 Act is added to and made a part of ORS chapter 305.**

5 **SECTION 2. (1) A state agency, board or commission that issues grants of moneys to**
6 **persons for purposes described by law shall, as a condition of issuance or renewal of a grant,**
7 **require the applicant for issuance or renewal to demonstrate compliance with the following,**
8 **as applicable:**

9 (a) **The personal income tax laws of this state, including the withholding laws in ORS**
10 **316.162 to 316.221.**

11 (b) **The corporate excise or income tax laws of this state.**

12 (c) **The provisions of ORS 323.005 to 323.482 or 323.500 to 323.645.**

13 (2) **Subsection (1) of this section does not apply to:**

14 (a) **Grants of less than \$25,000 in a calendar year;**

15 (b) **Aid granted under the temporary assistance for needy families program;**

16 (c) **Child welfare services under ORS 418.005;**

17 (d) **Services to elderly persons and to persons with disabilities under ORS 410.070 and**
18 **412.014;**

19 (e) **Nutritional assistance under ORS 411.816; and**

20 (f) **Vocational rehabilitation services under ORS 344.530.**

21 (3) **An applicant for issuance or renewal of a state grant must demonstrate compliance**
22 **under subsection (1) of this section by declaration under penalty of perjury, as described in**
23 **ORCP 1 E.**

24 (4) **A state agency, board or commission that requires tax compliance as a condition of**
25 **issuance or renewal of a grant under subsection (1) of this section may suspend, revoke or**
26 **refuse to issue or renew a grant if the agency, board or commission or the Department of**
27 **Revenue determines that the applicant for issuance or renewal has failed to demonstrate or**
28 **maintain tax compliance as provided in this section.**

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.

1 (5) Notwithstanding ORS 314.835 and 314.840, the department may disclose to a state
2 agency, board or commission that requires tax compliance as a condition of issuance or re-
3 newal of a grant under subsection (1) of this section whether an individual or corporation is
4 in compliance.

5 (6) In determining compliance for purposes of this section, the agency, board, commission
6 or department may consider whether the individual or corporation:

7 (a) Has not filed required returns or reports with respect to taxes imposed by ORS
8 chapter 316 or 317, whichever is applicable, for any of the three tax years immediately pre-
9 ceding a year for which a tax return or report was required to be filed;

10 (b) Has not filed required reports with respect to taxes imposed under ORS 323.005 to
11 323.482 or 323.500 to 323.645 for any of the three calendar years immediately preceding a year
12 in which a report was required to be filed;

13 (c) After all appeal rights, if any, have expired, has failed to:

14 (A) Pay any tax within 30 days after the date of the assessment and is still delinquent
15 on any payments due;

16 (B) Enter into an approved payment plan within 60 days after the date of the assessment
17 of the tax; or

18 (C) Follow the terms of an approved payment plan and is still delinquent on any payments
19 due; or

20 (d) Has been convicted of a criminal offense related to the personal income tax laws of
21 this state, the corporate excise and income tax laws of this state or the provisions of ORS
22 323.005 to 323.482 or 323.500 to 323.645, whichever are applicable.

23 (7) Upon request of a state agency, board or commission that requires tax compliance
24 as a condition of issuance or renewal of a grant under subsection (1) of this section, the de-
25 partment shall enter into an agreement with the agency, board or commission in order to
26 assist in the administration of the tax compliance requirement.

27 **SECTION 3.** Section 2 of this 2015 Act becomes operative on the date that the Director
28 of the Department of Revenue notifies the Legislative Counsel stating that the Department
29 of Revenue has established an electronic system that may be used by a state agency, board
30 or commission to determine tax compliance for purposes of section 2 of this 2015 Act.

31 **SECTION 4.** This 2015 Act being necessary for the immediate preservation of the public
32 peace, health and safety, an emergency is declared to exist, and this 2015 Act takes effect
33 on its passage.

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