

House Bill 3172

Sponsored by Representative BENTZ

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**.

Directs Department of Revenue to suspend collection of unpaid tax from elderly taxpayer, if certain conditions exist. Provides for annual review of taxpayer's eligibility for suspension.

Applies to tax debt that is outstanding as of January 1, 2016.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to collection of tax from elderly taxpayers; and prescribing an effective date.

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) The Department of Revenue shall suspend the collection of any unpaid**
6 **tax that is imposed under ORS chapters 314 and 316, including any penalty or interest appli-**
7 **cable to the tax, if the department determines that the taxpayer or, in the case of a joint**
8 **return, each spouse listed on the return:**

9 (a) **Has reached the age of 65;**

10 (b) **Is unemployed or retired; and**

11 (c) **Is receiving income only in the form of federal Social Security benefits or from other**
12 **sources exempt from taxation under ORS chapters 314 and 316.**

13 (2) **Until the taxpayer or, in the case of a joint return, each spouse listed on the return,**
14 **reaches the age of 76, the department shall review annually the taxpayer's eligibility for**
15 **suspension of collection activities and ensure that the taxpayer continues to meet all re-**
16 **quirements listed in subsection (1) of this section.**

17 (3) **If the department determines that a taxpayer no longer meets the requirements listed**
18 **in subsection (1) of this section, the department may resume collection of any unpaid tax.**
19 **If the department resumes collection under this subsection, the department shall, at least**
20 **60 days before resuming collection activities, provide written notice to the taxpayer that the**
21 **taxpayer no longer qualifies for suspension of collection under this section.**

22 (4) **The department shall by rule establish policies and procedures for the administration**
23 **of this section.**

24 **SECTION 3. Section 2 of this 2015 Act applies to tax debt that is outstanding as of Jan-**
25 **uary 1, 2016.**

26 **SECTION 4. This 2015 Act takes effect on the 91st day after the date on which the 2015**
27 **regular session of the Seventy-eighth 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.