

House Bill 4133

Sponsored by Representatives HAYDEN, READ, KENY-GUYER, PARRISH; Representative TAYLOR, Senator BOQUIST (Presession filed.)

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, in collaboration with Department of Human Services, to establish pilot program for disbursement of installment payments to personal income taxpayers of amounts equal to personal income tax dependent care credits.

Applies to dependent care expenses paid during tax years beginning on or after January 1, 2016, and before January 1, 2022, and to disbursements made in calendar years beginning on or after January 1, 2017, and before January 1, 2023.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to payment of dependent care credits in installments; creating new provisions; amending
3 ORS 314.840; and prescribing an effective date.

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

5 **SECTION 1. (1) The Department of Revenue, in collaboration with the Department of**
6 **Human Services, shall develop and implement a pilot program to distribute in monthly in-**
7 **stallments estimated proceeds of the tax credits available for dependent care under ORS**
8 **315.262, 315.264 or 316.078.**

9 (2) Not later than November 30 of each year, the Department of Revenue shall provide
10 to the Department of Human Services a list of taxpayers who, for the tax year ending on the
11 preceding December 31, have claimed a credit under ORS 315.262, 315.264 or 316.078.

12 (3) The list required under subsection (2) of this section shall include, for each taxpayer:

13 (a) The amount of credit allowed to the taxpayer; and

14 (b) The taxpayer's address.

15 (4) Not later than two weeks after receiving the list from the Department of Revenue,
16 the Department of Human Services shall:

17 (a) Determine which taxpayers that are included on the list are also individuals who at
18 any point during the previous calendar year received benefits under the Supplemental Nu-
19 trition Assistance Program under ORS 411.806 to 411.845; and

20 (b) Provide notice to the individuals described in paragraph (a) of this subsection that
21 they are eligible to participate in the pilot program established under this section. The notice
22 shall include an explanation that the dependent care tax credit payments shall be made in
23 installments in the following year, in compensation for expenses made in the current year
24 and that participation shall require the taxpayer to claim the credits on the corresponding
25 tax return and provide supporting documentation if requested by the Department of Re-
26 venue.

27 (5) The Department of Human Services shall provide an opportunity for taxpayers to opt
28 out of participation in the pilot program.

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 (6) Beginning in January of the following year, not later than the 10th day of each month,
 2 the Department of Human Services shall provide one of 12 equal monthly payments to the
 3 taxpayer.

4 (7) Not later than January 30 of each year, the Department of Human Services shall no-
 5 tify the Department of Revenue of the names of all taxpayers participating during the year
 6 in the pilot program.

7 (8) On or before November 30 of each year, any taxpayer who is participating in the pilot
 8 program may notify the Department of Human Services that the taxpayer no longer wishes
 9 to participate in the pilot program. The Department of Human Services shall remove all
 10 taxpayers who provide this notice from the pilot program, effective January 1 of the next
 11 year.

12 **SECTION 2.** (1) The Department of Revenue, in reviewing the personal income tax re-
 13 turns of all participants in the pilot program established under section 1 of this 2016 Act
 14 shall:

15 (a) Confirm that, for the tax year immediately preceding the year that disbursements
 16 have been made under section 1 of this 2016 Act, the taxpayer has claimed a credit under
 17 ORS 315.262, 315.264 or 316.078;

18 (b) Reconcile the amounts claimed under paragraph (a) of this subsection against the
 19 amounts disbursed under section 1 of this 2016 Act; and

20 (c) Determine whether there is a difference in amount claimed versus amount disbursed
 21 and assess a deficiency against the taxpayer or provide a refund.

22 (2) If a taxpayer who has participated in the pilot program established under section 1
 23 of this 2016 Act does not claim a credit under ORS 315.262, 315.264 or 316.078, or does not
 24 provide sufficient substantiation of eligibility for the claimed amount, the Department of
 25 Revenue shall notify the taxpayer of the additional tax liability attributable to the credit.

26 (3) The provisions of ORS 305.220 regarding interest shall apply to this section.

27 **SECTION 3.** ORS 314.840 is amended to read:

28 314.840. (1) The Department of Revenue may:

29 (a) Furnish any taxpayer, representative authorized to represent the taxpayer under ORS 305.230
 30 or person designated by the taxpayer under ORS 305.193, upon request of the taxpayer, represen-
 31 tative or designee, with a copy of the taxpayer's income tax return filed with the department for
 32 any year, or with a copy of any report filed by the taxpayer in connection with the return, or with
 33 any other information the department considers necessary.

34 (b) Publish lists of taxpayers who are entitled to unclaimed tax refunds.

35 (c) Publish statistics so classified as to prevent the identification of income or any particulars
 36 contained in any report or return.

37 (d) Disclose a taxpayer's name, address, telephone number, refund amount, amount due, Social
 38 Security number, employer identification number or other taxpayer identification number to the ex-
 39 tent necessary in connection with collection activities or the processing and mailing of correspond-
 40 ence or of forms for any report or return required in the administration of any local tax under ORS
 41 305.620 or any law imposing a tax upon or measured by net income.

42 (2) The department also may disclose and give access to information described in ORS 314.835
 43 to:

44 (a) The Governor of the State of Oregon or the authorized representative of the Governor with
 45 respect to an individual who is designated as being under consideration for appointment or reap-

1 pointment to an office or for employment in the office of the Governor. The information disclosed
 2 shall be confined to whether the individual:

3 (A) Has filed returns with respect to the taxes imposed by ORS chapter 316 for those of not
 4 more than the three immediately preceding years for which the individual was required to file an
 5 Oregon individual income tax return.

6 (B) Has failed to pay any tax within 30 days from the date of mailing of a deficiency notice or
 7 otherwise respond to a deficiency notice within 30 days of its mailing.

8 (C) Has been assessed any penalty under the Oregon personal income tax laws and the nature
 9 of the penalty.

10 (D) Has been or is under investigation for possible criminal offenses under the Oregon personal
 11 income tax laws. Information disclosed pursuant to this paragraph shall be used only for the purpose
 12 of making the appointment, reappointment or decision to employ or not to employ the individual in
 13 the office of the Governor.

14 (b) An officer or employee of the Oregon Department of Administrative Services duly authorized
 15 or employed to prepare revenue estimates, or a person contracting with the Oregon Department of
 16 Administrative Services to prepare revenue estimates, in the preparation of revenue estimates re-
 17 quired for the Governor's budget under ORS 291.201 to 291.226, or required for submission to the
 18 Emergency Board or the Joint Interim Committee on Ways and Means, or if the Legislative As-
 19 sembly is in session, to the Joint Committee on Ways and Means, and to the Legislative Revenue
 20 Officer or Legislative Fiscal Officer under ORS 291.342, 291.348 and 291.445. The Department of
 21 Revenue shall disclose and give access to the information described in ORS 314.835 for the purposes
 22 of this paragraph only if:

23 (A) The request for information is made in writing, specifies the purposes for which the request
 24 is made and is signed by an authorized representative of the Oregon Department of Administrative
 25 Services. The form for request for information shall be prescribed by the Oregon Department of
 26 Administrative Services and approved by the Director of the Department of Revenue.

27 (B) The officer, employee or person receiving the information does not remove from the premises
 28 of the Department of Revenue any materials that would reveal the identity of a personal or corpo-
 29 rate taxpayer.

30 (c) The Commissioner of Internal Revenue or authorized representative, for tax administration
 31 and compliance purposes only.

32 (d) For tax administration and compliance purposes, the proper officer or authorized represen-
 33 tative of any of the following entities that has or is governed by a provision of law that meets the
 34 requirements of any applicable provision of the Internal Revenue Code as to confidentiality:

35 (A) A state;

36 (B) A city, county or other political subdivision of a state;

37 (C) The District of Columbia; or

38 (D) An association established exclusively to provide services to federal, state or local taxing
 39 authorities.

40 (e) The Multistate Tax Commission or its authorized representatives, for tax administration and
 41 compliance purposes only. The Multistate Tax Commission may make the information available to
 42 the Commissioner of Internal Revenue or the proper officer or authorized representative of any
 43 governmental entity described in and meeting the qualifications of paragraph (d) of this subsection.

44 (f) The Attorney General, assistants and employees in the Department of Justice, or other legal
 45 representative of the State of Oregon, to the extent the department deems disclosure or access

1 necessary for the performance of the duties of advising or representing the department pursuant to
 2 ORS 180.010 to 180.240 and the tax laws of this state.

3 (g) Employees of the State of Oregon, other than of the Department of Revenue or Department
 4 of Justice, to the extent the department deems disclosure or access necessary for such employees
 5 to perform their duties under contracts or agreements between the department and any other de-
 6 partment, agency or subdivision of the State of Oregon, in the department's administration of the
 7 tax laws.

8 (h) Other persons, partnerships, corporations and other legal entities, and their employees, to
 9 the extent the department deems disclosure or access necessary for the performance of such others'
 10 duties under contracts or agreements between the department and such legal entities, in the
 11 department's administration of the tax laws.

12 (i) The Legislative Revenue Officer or authorized representatives upon compliance with ORS
 13 173.850. Such officer or representative shall not remove from the premises of the department any
 14 materials that would reveal the identity of any taxpayer or any other person.

15 (j) The Department of Consumer and Business Services, to the extent the department requires
 16 such information to determine whether it is appropriate to adjust those workers' compensation
 17 benefits the amount of which is based pursuant to ORS chapter 656 on the amount of wages or
 18 earned income received by an individual.

19 (k) Any agency of the State of Oregon, or any person, or any officer or employee of such agency
 20 or person to whom disclosure or access is given by state law and not otherwise referred to in this
 21 section, including but not limited to the Secretary of State as Auditor of Public Accounts under
 22 Article VI, section 2, of the Oregon Constitution; the Department of Human Services pursuant to
 23 ORS 412.094 **and section 1 of this 2016 Act**; the Division of Child Support of the Department of
 24 Justice and district attorney regarding cases for which they are providing support enforcement
 25 services under ORS 25.080; the State Board of Tax Practitioners, pursuant to ORS 673.710; and the
 26 Oregon Board of Accountancy, pursuant to ORS 673.415.

27 (L) The Director of the Department of Consumer and Business Services to determine that a
 28 person complies with ORS chapter 656 and the Director of the Employment Department to determine
 29 that a person complies with ORS chapter 657, the following employer information:

- 30 (A) Identification numbers.
- 31 (B) Names and addresses.
- 32 (C) Inception date as employer.
- 33 (D) Nature of business.
- 34 (E) Entity changes.
- 35 (F) Date of last payroll.

36 (m) The Director of the Oregon Health Authority to determine that a person has the ability to
 37 pay for care that includes services provided by the Oregon State Hospital, or the Oregon Health
 38 Authority to collect any unpaid cost of care as provided by ORS chapter 179.

39 (n) Employees of the Employment Department to the extent the Department of Revenue deems
 40 disclosure or access to information on a combined tax report filed under ORS 316.168 is necessary
 41 to performance of their duties in administering the tax imposed by ORS chapter 657.

42 (o) The State Fire Marshal to assist the State Fire Marshal in carrying out duties, functions and
 43 powers under ORS 453.307 to 453.414, the employer or agent name, address, telephone number and
 44 standard industrial classification, if available.

45 (p) Employees of the Department of State Lands for the purposes of identifying, locating and

1 publishing lists of taxpayers entitled to unclaimed refunds as required by the provisions of chapter
2 694, Oregon Laws 1993. The information shall be limited to the taxpayer's name, address and the
3 refund amount.

4 (q) In addition to the disclosure allowed under ORS 305.225, state or local law enforcement
5 agencies to assist in the investigation or prosecution of the following criminal activities:

6 (A) Mail theft of a check, in which case the information that may be disclosed shall be limited
7 to the stolen document, the name, address and taxpayer identification number of the payee, the
8 amount of the check and the date printed on the check.

9 (B) The counterfeiting, forging or altering of a check submitted by a taxpayer to the Department
10 of Revenue or issued by the Department of Revenue to a taxpayer, in which case the information
11 that may be disclosed shall be limited to the counterfeit, forged or altered document, the name, ad-
12 dress and taxpayer identification number of the payee, the amount of the check, the date printed
13 on the check and the altered name and address.

14 (r) The United States Postal Inspection Service or a federal law enforcement agency, including
15 but not limited to the United States Department of Justice, to assist in the investigation of the fol-
16 lowing criminal activities:

17 (A) Mail theft of a check, in which case the information that may be disclosed shall be limited
18 to the stolen document, the name, address and taxpayer identification number of the payee, the
19 amount of the check and the date printed on the check.

20 (B) The counterfeiting, forging or altering of a check submitted by a taxpayer to the Department
21 of Revenue or issued by the Department of Revenue to a taxpayer, in which case the information
22 that may be disclosed shall be limited to the counterfeit, forged or altered document, the name, ad-
23 dress and taxpayer identification number of the payee, the amount of the check, the date printed
24 on the check and the altered name and address.

25 (s) The United States Financial Management Service, for purposes of facilitating the offsets de-
26 scribed in ORS 305.612.

27 (t) A municipal corporation of this state for purposes of assisting the municipal corporation in
28 the administration of a tax of the municipal corporation that is imposed on or measured by income,
29 wages or net earnings from self-employment. Any disclosure under this paragraph may be made only
30 pursuant to a written agreement between the Department of Revenue and the municipal corporation
31 that ensures the confidentiality of the information disclosed.

32 (u) A consumer reporting agency, to the extent necessary to carry out the purposes of ORS
33 314.843.

34 (v) The Public Employees Retirement Board, to the extent necessary to carry out the purposes
35 of ORS 238.372 to 238.384, and to any public employer, to the extent necessary to carry out the
36 purposes of ORS 237.635 (3) and 237.637 (2).

37 (3)(a) Each officer or employee of the department and each person described or referred to in
38 subsection (2)(a), (b), (f) to (L) or (n) to (q) of this section to whom disclosure or access to the tax
39 information is given under subsection (2) of this section or any other provision of state law, prior
40 to beginning employment or the performance of duties involving such disclosure or access, shall be
41 advised in writing of the provisions of ORS 314.835 and 314.991, relating to penalties for the vio-
42 lation of ORS 314.835, and shall as a condition of employment or performance of duties execute a
43 certificate for the department, in a form prescribed by the department, stating in substance that the
44 person has read these provisions of law, that the person has had them explained and that the person
45 is aware of the penalties for the violation of ORS 314.835.

1 (b) The disclosure authorized in subsection (2)(r) of this section shall be made only after a
 2 written agreement has been entered into between the Department of Revenue and the person de-
 3 scribed in subsection (2)(r) of this section to whom disclosure or access to the tax information is
 4 given, providing that:

5 (A) Any information described in ORS 314.835 that is received by the person pursuant to sub-
 6 section (2)(r) of this section is confidential information that may not be disclosed, except to the ex-
 7 tent necessary to investigate or prosecute the criminal activities described in subsection (2)(r) of
 8 this section;

9 (B) The information shall be protected as confidential under applicable federal and state laws;
 10 and

11 (C) The United States Postal Inspection Service or the federal law enforcement agency shall
 12 give notice to the Department of Revenue of any request received under the federal Freedom of In-
 13 formation Act, 5 U.S.C. 552, or other federal law relating to the disclosure of information.

14 (4) The Department of Revenue may recover the costs of furnishing the information described
 15 in subsection (2)(L), (m) and (o) to (q) of this section from the respective agencies.

16 **SECTION 4.** ORS 314.840, as amended by section 3 of this 2016 Act, is amended to read:

17 314.840. (1) The Department of Revenue may:

18 (a) Furnish any taxpayer, representative authorized to represent the taxpayer under ORS 305.230
 19 or person designated by the taxpayer under ORS 305.193, upon request of the taxpayer, represen-
 20 tative or designee, with a copy of the taxpayer's income tax return filed with the department for
 21 any year, or with a copy of any report filed by the taxpayer in connection with the return, or with
 22 any other information the department considers necessary.

23 (b) Publish lists of taxpayers who are entitled to unclaimed tax refunds.

24 (c) Publish statistics so classified as to prevent the identification of income or any particulars
 25 contained in any report or return.

26 (d) Disclose a taxpayer's name, address, telephone number, refund amount, amount due, Social
 27 Security number, employer identification number or other taxpayer identification number to the ex-
 28 tent necessary in connection with collection activities or the processing and mailing of correspond-
 29 ence or of forms for any report or return required in the administration of any local tax under ORS
 30 305.620 or any law imposing a tax upon or measured by net income.

31 (2) The department also may disclose and give access to information described in ORS 314.835
 32 to:

33 (a) The Governor of the State of Oregon or the authorized representative of the Governor with
 34 respect to an individual who is designated as being under consideration for appointment or reap-
 35 pointment to an office or for employment in the office of the Governor. The information disclosed
 36 shall be confined to whether the individual:

37 (A) Has filed returns with respect to the taxes imposed by ORS chapter 316 for those of not
 38 more than the three immediately preceding years for which the individual was required to file an
 39 Oregon individual income tax return.

40 (B) Has failed to pay any tax within 30 days from the date of mailing of a deficiency notice or
 41 otherwise respond to a deficiency notice within 30 days of its mailing.

42 (C) Has been assessed any penalty under the Oregon personal income tax laws and the nature
 43 of the penalty.

44 (D) Has been or is under investigation for possible criminal offenses under the Oregon personal
 45 income tax laws. Information disclosed pursuant to this paragraph shall be used only for the purpose

1 of making the appointment, reappointment or decision to employ or not to employ the individual in
 2 the office of the Governor.

3 (b) An officer or employee of the Oregon Department of Administrative Services duly authorized
 4 or employed to prepare revenue estimates, or a person contracting with the Oregon Department of
 5 Administrative Services to prepare revenue estimates, in the preparation of revenue estimates re-
 6 quired for the Governor's budget under ORS 291.201 to 291.226, or required for submission to the
 7 Emergency Board or the Joint Interim Committee on Ways and Means, or if the Legislative As-
 8 sembly is in session, to the Joint Committee on Ways and Means, and to the Legislative Revenue
 9 Officer or Legislative Fiscal Officer under ORS 291.342, 291.348 and 291.445. The Department of
 10 Revenue shall disclose and give access to the information described in ORS 314.835 for the purposes
 11 of this paragraph only if:

12 (A) The request for information is made in writing, specifies the purposes for which the request
 13 is made and is signed by an authorized representative of the Oregon Department of Administrative
 14 Services. The form for request for information shall be prescribed by the Oregon Department of
 15 Administrative Services and approved by the Director of the Department of Revenue.

16 (B) The officer, employee or person receiving the information does not remove from the premises
 17 of the Department of Revenue any materials that would reveal the identity of a personal or corpo-
 18 rate taxpayer.

19 (c) The Commissioner of Internal Revenue or authorized representative, for tax administration
 20 and compliance purposes only.

21 (d) For tax administration and compliance purposes, the proper officer or authorized represen-
 22 tative of any of the following entities that has or is governed by a provision of law that meets the
 23 requirements of any applicable provision of the Internal Revenue Code as to confidentiality:

24 (A) A state;

25 (B) A city, county or other political subdivision of a state;

26 (C) The District of Columbia; or

27 (D) An association established exclusively to provide services to federal, state or local taxing
 28 authorities.

29 (e) The Multistate Tax Commission or its authorized representatives, for tax administration and
 30 compliance purposes only. The Multistate Tax Commission may make the information available to
 31 the Commissioner of Internal Revenue or the proper officer or authorized representative of any
 32 governmental entity described in and meeting the qualifications of paragraph (d) of this subsection.

33 (f) The Attorney General, assistants and employees in the Department of Justice, or other legal
 34 representative of the State of Oregon, to the extent the department deems disclosure or access
 35 necessary for the performance of the duties of advising or representing the department pursuant to
 36 ORS 180.010 to 180.240 and the tax laws of this state.

37 (g) Employees of the State of Oregon, other than of the Department of Revenue or Department
 38 of Justice, to the extent the department deems disclosure or access necessary for such employees
 39 to perform their duties under contracts or agreements between the department and any other de-
 40 partment, agency or subdivision of the State of Oregon, in the department's administration of the
 41 tax laws.

42 (h) Other persons, partnerships, corporations and other legal entities, and their employees, to
 43 the extent the department deems disclosure or access necessary for the performance of such others'
 44 duties under contracts or agreements between the department and such legal entities, in the
 45 department's administration of the tax laws.

1 (i) The Legislative Revenue Officer or authorized representatives upon compliance with ORS
2 173.850. Such officer or representative shall not remove from the premises of the department any
3 materials that would reveal the identity of any taxpayer or any other person.

4 (j) The Department of Consumer and Business Services, to the extent the department requires
5 such information to determine whether it is appropriate to adjust those workers' compensation
6 benefits the amount of which is based pursuant to ORS chapter 656 on the amount of wages or
7 earned income received by an individual.

8 (k) Any agency of the State of Oregon, or any person, or any officer or employee of such agency
9 or person to whom disclosure or access is given by state law and not otherwise referred to in this
10 section, including but not limited to the Secretary of State as Auditor of Public Accounts under
11 Article VI, section 2, of the Oregon Constitution; the Department of Human Services pursuant to
12 ORS 412.094 [*and section 1 of this 2016 Act*]; the Division of Child Support of the Department of
13 Justice and district attorney regarding cases for which they are providing support enforcement
14 services under ORS 25.080; the State Board of Tax Practitioners, pursuant to ORS 673.710; and the
15 Oregon Board of Accountancy, pursuant to ORS 673.415.

16 (L) The Director of the Department of Consumer and Business Services to determine that a
17 person complies with ORS chapter 656 and the Director of the Employment Department to determine
18 that a person complies with ORS chapter 657, the following employer information:

19 (A) Identification numbers.

20 (B) Names and addresses.

21 (C) Inception date as employer.

22 (D) Nature of business.

23 (E) Entity changes.

24 (F) Date of last payroll.

25 (m) The Director of the Oregon Health Authority to determine that a person has the ability to
26 pay for care that includes services provided by the Oregon State Hospital, or the Oregon Health
27 Authority to collect any unpaid cost of care as provided by ORS chapter 179.

28 (n) Employees of the Employment Department to the extent the Department of Revenue deems
29 disclosure or access to information on a combined tax report filed under ORS 316.168 is necessary
30 to performance of their duties in administering the tax imposed by ORS chapter 657.

31 (o) The State Fire Marshal to assist the State Fire Marshal in carrying out duties, functions and
32 powers under ORS 453.307 to 453.414, the employer or agent name, address, telephone number and
33 standard industrial classification, if available.

34 (p) Employees of the Department of State Lands for the purposes of identifying, locating and
35 publishing lists of taxpayers entitled to unclaimed refunds as required by the provisions of chapter
36 694, Oregon Laws 1993. The information shall be limited to the taxpayer's name, address and the
37 refund amount.

38 (q) In addition to the disclosure allowed under ORS 305.225, state or local law enforcement
39 agencies to assist in the investigation or prosecution of the following criminal activities:

40 (A) Mail theft of a check, in which case the information that may be disclosed shall be limited
41 to the stolen document, the name, address and taxpayer identification number of the payee, the
42 amount of the check and the date printed on the check.

43 (B) The counterfeiting, forging or altering of a check submitted by a taxpayer to the Department
44 of Revenue or issued by the Department of Revenue to a taxpayer, in which case the information
45 that may be disclosed shall be limited to the counterfeit, forged or altered document, the name, ad-

1 dress and taxpayer identification number of the payee, the amount of the check, the date printed
2 on the check and the altered name and address.

3 (r) The United States Postal Inspection Service or a federal law enforcement agency, including
4 but not limited to the United States Department of Justice, to assist in the investigation of the fol-
5 lowing criminal activities:

6 (A) Mail theft of a check, in which case the information that may be disclosed shall be limited
7 to the stolen document, the name, address and taxpayer identification number of the payee, the
8 amount of the check and the date printed on the check.

9 (B) The counterfeiting, forging or altering of a check submitted by a taxpayer to the Department
10 of Revenue or issued by the Department of Revenue to a taxpayer, in which case the information
11 that may be disclosed shall be limited to the counterfeit, forged or altered document, the name, ad-
12 dress and taxpayer identification number of the payee, the amount of the check, the date printed
13 on the check and the altered name and address.

14 (s) The United States Financial Management Service, for purposes of facilitating the offsets de-
15 scribed in ORS 305.612.

16 (t) A municipal corporation of this state for purposes of assisting the municipal corporation in
17 the administration of a tax of the municipal corporation that is imposed on or measured by income,
18 wages or net earnings from self-employment. Any disclosure under this paragraph may be made only
19 pursuant to a written agreement between the Department of Revenue and the municipal corporation
20 that ensures the confidentiality of the information disclosed.

21 (u) A consumer reporting agency, to the extent necessary to carry out the purposes of ORS
22 314.843.

23 (v) The Public Employees Retirement Board, to the extent necessary to carry out the purposes
24 of ORS 238.372 to 238.384, and to any public employer, to the extent necessary to carry out the
25 purposes of ORS 237.635 (3) and 237.637 (2).

26 (3)(a) Each officer or employee of the department and each person described or referred to in
27 subsection (2)(a), (b), (f) to (L) or (n) to (q) of this section to whom disclosure or access to the tax
28 information is given under subsection (2) of this section or any other provision of state law, prior
29 to beginning employment or the performance of duties involving such disclosure or access, shall be
30 advised in writing of the provisions of ORS 314.835 and 314.991, relating to penalties for the vio-
31 lation of ORS 314.835, and shall as a condition of employment or performance of duties execute a
32 certificate for the department, in a form prescribed by the department, stating in substance that the
33 person has read these provisions of law, that the person has had them explained and that the person
34 is aware of the penalties for the violation of ORS 314.835.

35 (b) The disclosure authorized in subsection (2)(r) of this section shall be made only after a
36 written agreement has been entered into between the Department of Revenue and the person de-
37 scribed in subsection (2)(r) of this section to whom disclosure or access to the tax information is
38 given, providing that:

39 (A) Any information described in ORS 314.835 that is received by the person pursuant to sub-
40 section (2)(r) of this section is confidential information that may not be disclosed, except to the ex-
41 tent necessary to investigate or prosecute the criminal activities described in subsection (2)(r) of
42 this section;

43 (B) The information shall be protected as confidential under applicable federal and state laws;
44 and

45 (C) The United States Postal Inspection Service or the federal law enforcement agency shall

1 give notice to the Department of Revenue of any request received under the federal Freedom of In-
2 formation Act, 5 U.S.C. 552, or other federal law relating to the disclosure of information.

3 (4) The Department of Revenue may recover the costs of furnishing the information described
4 in subsection (2)(L), (m) and (o) to (q) of this section from the respective agencies.

5 **SECTION 5. (1) Sections 1 and 2 of this 2016 Act apply to dependent care expenses made**
6 **in tax years beginning on or after January 1, 2016, and before January 1, 2022, and to dis-**
7 **bursements made in calendar years beginning on or after January 1, 2017, and before January**
8 **1, 2023.**

9 (2) The amendments to ORS 314.840 by section 3 of this 2016 Act apply to tax years be-
10 ginning on or after January 1, 2016, and before January 1, 2022.

11 (3) The amendments to ORS 314.840 by section 4 of this 2016 Act apply to tax years be-
12 ginning on or after January 1, 2022.

13 **SECTION 6. This 2016 Act takes effect on the 91st day after the date on which the 2016**
14 **regular session of the Seventy-eighth Legislative Assembly adjourns sine die.**

15