

A-Engrossed
House Bill 4144

Ordered by the House February 10
Including House Amendments dated February 10

Sponsored by Representatives KENY-GUYER, REARDON, NATHANSON; Representatives BUEHLER, FREDERICK, HOLVEY, HOYLE, LIVELY, PILUSO, TAYLOR, Senators DEMBROW, DEVLIN, EDWARDS, MONROE, ROSENBAUM (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.

[Directs Department of Revenue to submit annual report, on utilization of earned income tax credit and dependent care credits, to interim committees of Legislative Assembly related to revenue and to human services. Requires department to identify geographic regions and demographic groups with low rates of utilization of specified tax credits, and to promote use of specified tax credits and of tax preparation services available to taxpayers.]

[Limits amount that tax preparer or tax consultant may charge for preparation of return of taxpayer who is eligible to claim federal earned income tax credit. Applies to tax returns filed on or after January 1, 2017.]

[Takes effect on 91st day following adjournment sine die.]

Establishes Task Force on Utilization of the Earned Income Tax Credit. Directs task force to study rates of utilization of specified tax credits and to report annually to Legislative Assembly.

Directs Department of Revenue to promote availability of specified tax credits and use of tax preparation services available to taxpayers.

Declares emergency, effective on passage.

A BILL FOR AN ACT

Relating to earned income tax credits; and declaring an emergency.

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

SECTION 1. (1) The Task Force on Utilization of the Earned Income Tax Credit is established.

(2) The task force consists of 17 members appointed as follows:

(a) The President of the Senate shall appoint:

(A) One member from among members of the Senate.

(B) Two members who represent nonprofit organizations that serve low-income families.

At least one member of the task force shall represent an organization that serves primarily individuals living in rural communities.

(b) The Speaker of the House of Representatives shall appoint:

(A) One member from among members of the House of Representatives.

(B) Two members who represent nonprofit organizations that serve low-income families.

At least one member of the task force shall represent an organization that serves primarily individuals living in rural communities.

(c) The Director of Human Services shall appoint two representatives from the Department of Human Services.

(d) The Governor shall appoint one representative from each of the following:

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 (A) The Governor's office.

2 (B) The Oregon Health Authority.

3 (C) The Department of Revenue.

4 (D) The Housing and Community Services Department.

5 (E) The Department of Education.

6 (F) The Employment Department.

7 (G) The Oregon Department of Administrative Services.

8 (H) The Oregon Business Development Department.

9 (I) The Department of Veterans' Affairs.

10 (3) The term of office of each member is four years, but a member serves at the pleasure
11 of the appointing authority. Before the expiration of the term of a member, the appointing
12 authority shall appoint a successor whose term begins on July 1 next following. A member
13 is eligible for reappointment. If there is a vacancy for any cause, the appointing authority
14 shall make an appointment to become immediately effective for the unexpired term.

15 (4) The task force shall study:

16 (a) The rates of utilization, by Oregon personal income taxpayers of the federal earned
17 income tax credits allowed under section 32 of the Internal Revenue Code and the credit al-
18 lowed under ORS 315.262, 315.264, 315.266 and 316.078; and

19 (b) Potential methods for increasing rates of utilization of the tax credits listed in para-
20 graph (a) of this subsection.

21 (5) The task force may make recommendations to the Legislative Assembly for legislation
22 to promote outreach efforts regarding availability of and increase utilization of the earned
23 income tax credits and dependent care tax credits.

24 (6) A majority of the voting members of the task force constitutes a quorum for the
25 transaction of business.

26 (7) Official action by the task force requires the approval of a majority of the voting
27 members of the task force.

28 (8) The task force shall elect one of its members to serve as chairperson.

29 (9) If there is a vacancy for any cause, the appointing authority shall make an appoint-
30 ment to become immediately effective.

31 (10) The task force shall meet at times and places specified by the call of the chairperson
32 or of a majority of the voting members of the task force.

33 (11) The task force may adopt rules necessary for the operation of the task force.

34 (12) The task force shall submit a report in the manner provided by ORS 192.245, and
35 may include recommendations for legislation, to an interim committee of the Legislative
36 Assembly related to human services no later than September 15 of each year.

37 (13) The Department of Human Services shall provide staff support to the task force.

38 (14) Members of the task force who are not members of the Legislative Assembly are not
39 entitled to compensation, but may be reimbursed for actual and necessary travel and other
40 expenses incurred by them in the performance of their official duties in the manner and
41 amounts provided for in ORS 292.495. Claims for expenses incurred in performing functions
42 of the task force shall be paid out of funds appropriated to Department of Human Services
43 for purposes of the task force.

44 (15) All agencies of state government, as defined in ORS 174.111, are directed to assist
45 the task force in the performance of the task force's duties and, to the extent permitted by

1 laws relating to confidentiality, to furnish information and advice the members of the task
2 force consider necessary to perform their duties.

3 **SECTION 2.** (1) The Department of Revenue shall:

4 (a) Promote taxpayer participation in Earned Income Tax Credit Awareness Day, typi-
5 cally occurring annually in January and organized by the Internal Revenue Service.

6 (b) Promote, through methods including the use of links that are not more than one click
7 from the home page of the department's website, taxpayers' use of:

8 (A) Organizations that offer tax return preparation assistance to taxpayers preparing
9 their own tax returns; and

10 (B) Vendors that are approved by the department and the Internal Revenue Service and
11 that offer free tax return preparation services.

12 (2) The department shall expand the availability of sites, staffed by volunteers certified
13 by the Internal Revenue Service, that provide free assistance with tax return preparation to
14 taxpayers with low or moderate income and to taxpayers with disabilities.

15 **SECTION 3.** This 2016 Act being necessary for the immediate preservation of the public
16 peace, health and safety, an emergency is declared to exist, and this 2016 Act takes effect
17 on its passage.

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