

House Bill 4144

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 **as introduced**.

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.

A BILL FOR AN ACT

1
2 Relating to earned income tax credits; creating new provisions; amending ORS 673.615; and pre-
3 scribing an effective date.

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

5 **SECTION 1. (1) Not later than November 15 of each year, the Department of Revenue**
6 **shall submit a report to the interim committees of the Legislative Assembly related to re-**
7 **venue and to human services. The report shall address the rates of utilization, during the**
8 **preceding tax year, by Oregon personal income taxpayers of the following personal income**
9 **tax credits:**

10 (a) **The federal earned income tax credit allowed under section 32 of the Internal Revenue**
11 **Code; and**

12 (b) **The credits allowed under ORS 315.262, 315.264, 315.266 and 316.078.**

13 (2) **The department shall use data collected by the department and collected by the**
14 **Internal Revenue Service and shared with the department to identify geographic regions and**
15 **demographic groups in which eligible Oregon personal income taxpayers have low rates of**
16 **utilization of the credits listed in subsection (1) of this section. The department shall:**

17 (a) **Include this information in the report required under subsection (1) of this section;**
18 **and**

19 (b) **Target outreach efforts regarding availability of the earned income tax credit to per-**
20 **sonal income taxpayers in regions and groups identified pursuant to this subsection.**

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

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

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

26 (A) **Organizations that offer tax return preparation assistance to taxpayers preparing**

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 **their own tax returns; and**

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

4 **(2) Within the geographic regions and serving the demographic groups identified in sec-**
5 **tion 1 (2) of this 2016 Act, the department shall expand the availability of sites, staffed by**
6 **volunteers certified by the Internal Revenue Service, that provide free assistance with tax**
7 **return preparation to taxpayers with low or moderate income and to taxpayers with disabil-**
8 **ities.**

9 **SECTION 3.** ORS 673.615 is amended to read:

10 673.615. Except as otherwise provided in ORS 673.605 to 673.740:

11 (1) A person may not prepare or advise or assist in the preparation of personal income tax re-
12 turns for another and for valuable consideration or represent that the person is so engaged unless
13 the person is licensed as a tax consultant under ORS 673.605 to 673.740.

14 (2) A tax preparer may prepare or advise or assist in the preparation of tax returns only under
15 the supervision of a tax consultant, or a person described in ORS 673.610 (2) or (4), and subject to
16 such conditions and limitations as the State Board of Tax Practitioners by rule may impose.

17 (3) A person may not be a facilitator of a refund anticipation loan without first being issued a
18 license as a tax consultant or tax preparer under ORS 673.640.

19 **(4) A tax preparer or tax consultant may not charge in excess of \$_____ for an original**
20 **or amended return for any personal income taxpayer's return, if the taxpayer is eligible to**
21 **claim the earned income tax credit allowed under section 32 of the Internal Revenue Code.**

22 **SECTION 4.** The amendments to ORS 673.615 by section 3 of this 2016 Act apply to per-
23 **sonal income tax returns filed on or after January 1, 2017.**

24 **SECTION 5.** This 2016 Act takes effect on the 91st day after] the date on which the 2016
25 **regular session of the Seventy-eighth Legislative Assembly adjourns sine die.**

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