

House Bill 3320

Sponsored by Representatives ESQUIVEL, WITT

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**.

Imposes fee on money transmission made by person other than corporation to location outside state.

Applies to money transmissions completed on or after January 1, 2018.

Creates refundable credit against personal income taxes for resident taxpayer to offset payment of fee.

Applies to tax years beginning on or after January 1, 2018.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to fees for money transmissions; providing for revenue raising that requires approval by a
3 three-fifths majority; and prescribing an effective date.

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

5 **SECTION 1. Section 2 of this 2017 Act is added to and made a part of ORS 717.200 to**
6 **717.320.**

7 **SECTION 2. (1) Each licensee shall collect a fee on each money transmission that is**
8 **completed.**

9 **(2) A fee under this section is not due for any money transmission that is:**

10 **(a) Completed for a corporation; or**

11 **(b) Received or retrieved only at a physical location in this state.**

12 **(3) The fee under this section is:**

13 **(a) For each money transmission that does not exceed \$500, \$10.**

14 **(b) For each money transmission that exceeds \$500, \$10 plus two percent of the amount**
15 **by which the money transmission exceeds \$500.**

16 **(4) On or before the last day of the month following each calendar quarter, licensees shall**
17 **submit to the Director of the Department of Consumer and Business Services a written re-**
18 **port of all fees collected by the licensee during the quarter, and shall remit all fees collected**
19 **under this section during the quarter to the director to be credited as provided in ORS**
20 **717.315.**

21 **(5) The Department of Consumer and Business Services may by rule establish policies**
22 **and procedures for the administration of the fee required under this section.**

23 **(6) For the purpose of compensating licensees for expenses incurred in collecting the fees**
24 **required under this section, each licensee is permitted to deduct and retain two percent of**
25 **the amount of fees that are collected by the licensee from all money transmissions conducted**
26 **by the licensee in this state.**

27 **(7) Each licensee shall provide a person for whom a money transmission is completed**
28 **with:**

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) A receipt by the licensee as proof that the fee that has been collected pursuant to this
2 section; and

3 (b) Notice that the person may be entitled to an income tax credit for the amount of the
4 money transmission, information on how the person may obtain a tax credit and notice that
5 the receipt should be retained for the person's income tax records.

6 **SECTION 3.** Section 2 of this 2017 Act applies to money transmissions completed on or
7 after January 1, 2018.

8 **SECTION 4.** Section 4 of this 2017 Act is added to and made a part of ORS chapter 315.

9 **SECTION 5.** (1) A credit shall be allowed against the taxes otherwise due under ORS
10 chapter 316 for money transmission fees paid during the tax year by a resident taxpayer. The
11 amount of the credit allowed shall equal the total amount of fees paid pursuant to section 2
12 of this 2017 Act.

13 (2) If the amount allowable as a credit under this section, when added to the sum of the
14 amounts allowable as payment of tax under ORS 316.187 (withholding), ORS 316.583 (esti-
15 mated tax), other tax prepayment amounts and other refundable credit amounts, exceeds the
16 taxes imposed by ORS chapters 314 and 316 for the tax year (reduced by any nonrefundable
17 credits allowable for purposes of ORS chapter 316 for the tax year), the amount of the excess
18 shall be refunded to the taxpayer as provided in ORS 316.502.

19 (3) The Department of Revenue may:

20 (a) Adopt rules for carrying out the provisions of this section; and

21 (b) Prescribe the form used to claim a credit and the information required on the form.

22 **SECTION 6.** Section 5 of this 2017 Act applies to tax years beginning on or after January
23 1, 2018.

24 **SECTION 7.** This 2017 Act takes effect on the 91st day after the date on which the 2017
25 regular session of the Seventy-ninth Legislative Assembly adjourns sine die.
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