

House Bill 4142

Sponsored by Representative KENNEMER; Representatives ESQUIVEL, HELFRICH, NEARMAN, OLSON, RESCHKE, STARK, WHISNANT, WILSON (Pre-session 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**.

Expands prohibition against retroactive rulemaking by Department of Revenue to prohibit department from adopting or amending rule to require change in tax treatment of item.

Applies to tax years beginning on or after January 1, 2019.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to authority of Department of Revenue to modify administrative rules; creating new pro-
3 visions; amending ORS 305.125; and prescribing an effective date.

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

5 **SECTION 1.** ORS 305.125 is amended to read:

6 305.125. **Unless required by law**, the Department of Revenue may not apply, **adopt or amend**
7 an administrative rule in a manner that requires a change in the treatment of an item of income
8 or expense, a deduction, exclusion, credit or other particular on a report or return filed by a tax-
9 payer if:

10 (1) The taxpayer filed the report or return by the date it was due; and

11 (2) The treatment of the item on the report or return was consistent with an administrative rule
12 adopted and in effect at the time that the report or return was filed.

13 **SECTION 2.** The amendments to ORS 305.125 by section 1 of this 2018 Act apply to tax
14 years beginning on or after January 1, 2019.

15 **SECTION 3.** This 2018 Act takes effect on the 91st day after the date on which the 2018
16 regular session of the Seventy-ninth 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.