

SB 757 -2 STAFF MEASURE SUMMARY

Senate Committee On Judiciary

Prepared By: Channa Newell, Counsel

Meeting Dates: 2/20

WHAT THE MEASURE DOES:

Allows counterclaims to be included in responsive pleadings in appeals filed in tax court.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

-2 Makes technical clarification.

BACKGROUND:

In 1995, the Legislature created the magistrate division of the tax court. A person who was dissatisfied with a decision of the Department of Revenue is entitled to a hearing before the magistrate division but is also provided a process to appeal to the Oregon Tax Court. Caselaw has interpreted the statutes regarding the appeals process to prohibit a party who "disagrees with a magistrate decision to raise that disagreement by counterclaim." *Village at Main Street, Phase II, LLC v Department of Revenue*, 22 OTR 52, 57 (2015).

Senate Bill 757 specifies that any party names as a defendant in an appeal before the tax court may include one or more counterclaims in the responsive pleadings.