

HOUSE AMENDMENTS TO HOUSE BILL 3373

By COMMITTEE ON REVENUE

June 2

1 On page 1 of the printed bill, delete lines 5 through 28.

2 On page 2, delete lines 1 through 33 and insert:

3 **“SECTION 1. Sections 2 to 4 of this 2021 Act are added to and made a part of ORS**
4 **chapter 305.**

5 **“SECTION 2. (1) The office of the Taxpayer Advocate is established in the Department**
6 **of Revenue. The office is subject to all confidentiality and disclosure provisions applicable to**
7 **the department and shall be responsible for directly assisting taxpayers and their represen-**
8 **tatives to ensure that taxpayers and their representatives understand and utilize the policies,**
9 **processes and procedures available for the resolution of problems related to tax programs**
10 **or debt collection programs administered by the department. The Director of the Department**
11 **of Revenue shall select the Taxpayer Advocate and the employees of the office, who may in-**
12 **clude employees of the department and residents of this state with knowledge of taxation.**

13 **“(2) The office shall assist taxpayers in:**

14 **“(a) Obtaining easily understandable tax information and information about department**
15 **policies and procedures, including information on audits, collections and appeals;**

16 **“(b) Answering questions about preparing and filing returns with the department; and**

17 **“(c) Locating documents filed with or payments made to the department by taxpayers.**

18 **“(3) The office may also:**

19 **“(a) Receive and evaluate complaints of improper, abusive or inefficient service by em-**
20 **ployees of the department and recommend to the director appropriate action to correct such**
21 **service;**

22 **“(b) Identify policies and practices of the department that might be barriers to the eq-**
23 **uitable treatment of taxpayers and recommend alternatives to the director;**

24 **“(c) Provide expeditious service to taxpayers whose problems are not resolved through**
25 **ordinary channels;**

26 **“(d) Collaborate with department personnel to resolve the most complex and sensitive**
27 **taxpayer problems and to identify and resolve systemic problems experienced by taxpayers;**

28 **“(e) Report to the director if, in the determination of the office, the department is ad-**
29 **ministering a law improperly;**

30 **“(f) Participate and represent taxpayers’ interests and concerns in planning meetings,**
31 **reviewing instructions and formulating department policies and procedures;**

32 **“(g) Compile data each year on the number and type of taxpayer complaints and evaluate**
33 **the actions taken to resolve complaints;**

34 **“(h) Survey taxpayers each year to obtain their evaluation of the quality of service pro-**
35 **vided by the department;**

1 “(i) Issue orders to the department as described in section 3 of this 2021 Act; and
2 “(j) Perform other functions that relate to taxpayer assistance as prescribed by the di-
3 rector.

4 “(4) Actions taken by the office may be reviewed only by the director upon request of the
5 department or a taxpayer. The director may modify action taken by the office.

6 “SECTION 3. (1) As used in this section, ‘significant hardship’ means a circumstance in
7 which:

8 “(a) Adverse action against a taxpayer by the Department of Revenue is imminent;

9 “(b) The department has failed to act to resolve a reported problem with the account of
10 a taxpayer within 90 days; or

11 “(c) Other conditions exist as described by the department by rule.

12 “(2) In addition to any other taxpayer relief provided by law, the Taxpayer Advocate may
13 issue an order to the department to cease any action, take any action or refrain from taking
14 any action with respect to a taxpayer, as allowed by law, if the Taxpayer Advocate deter-
15 mines that a taxpayer is suffering or about to suffer a significant hardship as a result of the
16 manner in which the state’s tax laws are being administered by the department. A taxpayer
17 need not make a formal written request prior to the issuance of an order concerning the
18 taxpayer under this section.

19 “(3)(a) The Taxpayer Advocate may issue an order under this section only as an ex-
20 traordinary remedy in circumstances where the Taxpayer Advocate determines that the de-
21 partment is not following applicable administrative rules or guidance related to department
22 policies or procedures.

23 “(b) An order issued under this section is limited to providing relief related to depart-
24 ment policies or procedures and may not address the merits of a taxpayer’s tax liability or
25 substitute for informal conference procedures or normal administrative or judicial pro-
26 ceedings for the review of a tax assessment, refund denial, collection action or other de-
27 partment action.

28 “(c) Any order issued by the Taxpayer Advocate under this section may be reviewed by
29 the Director of the Department of Revenue or the deputy director and may be modified or
30 rescinded only by the Taxpayer Advocate, the director or the deputy director. A written ex-
31 planation of the reasons for any modification or rescission of an order by the director or
32 deputy director shall be provided to the Taxpayer Advocate.

33 “(4) An appeal may not be taken from an order issued by the Taxpayer Advocate under
34 this section or from any modification or rescission of an order by the director or deputy di-
35 rector.

36 “(5) All orders issued under this section, along with any related taxpayer information,
37 are considered particulars of a return, as defined in ORS 314.835, and may not be disclosed
38 by the department, except as otherwise provided in ORS 314.835 or 314.840 or other applicable
39 law.

40 “SECTION 3a. (1) Not later than February 15 of each odd-numbered year, the office of
41 the Taxpayer Advocate shall report, in the manner required by ORS 192.245, to a committee
42 of the Legislative Assembly related to revenue regarding the operation of the office.

43 “(2) The report required under this section shall include, for the two calendar years im-
44 mediately proceeding:

45 “(a) The number of and description of taxpayer complaints received by the office.

- 1 **“(b) Actions taken to resolve complaints made to the office.**
- 2 **“(c) Evaluations by taxpayers of the quality of service provided by the department.**
- 3 **“(d) Operational issues or other barriers that office staff perceive as preventing equitable**
4 **and fair collection of taxes.**
- 5 **“(e) Recommendations to policymakers on administrative efficiencies related to Oregon**
6 **tax law.**
- 7 **“(f) Recommendations to policymakers on the effectiveness of the Taxpayer Advocate**
8 **program in removing obstacles to taxpayer compliance with the tax system.**
- 9 **“SECTION 4. The Department of Revenue may adopt rules as it deems necessary to carry**
10 **out the purposes of sections 2 to 4 this 2021 Act, including rules to further define what**
11 **constitutes relief related to department policies or procedures and the scope of orders issued**
12 **under section 3 of this 2021 Act by the Taxpayer Advocate.”.**
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