

Requested by Representative FAHEY

**PROPOSED AMENDMENTS TO
HOUSE BILL 3373**

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**
4 **a part of ORS chapter 305.**

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

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

17 **“(a) Obtaining easily understandable tax information and informa-**
18 **tion about department policies and procedures, including information**
19 **on audits, collections and appeals;**

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

1 “(c) Locating documents filed with or payments made to the de-
2 partment by taxpayers.

3 “(3) The office may also:

4 “(a) Receive and evaluate complaints of improper, abusive or inef-
5 ficient service by employees of the department and recommend to the
6 director appropriate action to correct such service;

7 “(b) Identify policies and practices of the department that might
8 be barriers to the equitable treatment of taxpayers and recommend
9 alternatives to the director;

10 “(c) Provide expeditious service to taxpayers whose problems are
11 not resolved through ordinary channels;

12 “(d) Collaborate with department personnel to resolve the most
13 complex and sensitive taxpayer problems and to identify and resolve
14 systemic problems experienced by taxpayers;

15 “(e) Report to the director if, in the determination of the office, the
16 department is administering a law improperly;

17 “(f) Participate and represent taxpayers’ interests and concerns in
18 planning meetings, reviewing instructions and formulating department
19 policies and procedures;

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

22 “(h) Survey taxpayers each year to obtain their evaluation of the
23 quality of service provided by the department;

24 “(i) Issue orders to the department as described in section 3 of this
25 2021 Act; and

26 “(j) Perform other functions that relate to taxpayer assistance as
27 prescribed by the director.

28 “(4) Actions taken by the office may be reviewed only by the direc-
29 tor upon request of the department or a taxpayer. The director may
30 modify action taken by the office.

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

3 **“(a) Adverse action against a taxpayer by the Department of Reve-**
4 **nue is imminent;**

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

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

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

17 **“(3)(a) The Taxpayer Advocate may issue an order under this sec-**
18 **tion only as an extraordinary remedy in circumstances where the**
19 **Taxpayer Advocate determines that the department is not following**
20 **applicable administrative rules or guidance related to department pol-**
21 **icies or procedures.**

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

28 **“(c) Any order issued by the Taxpayer Advocate under this section**
29 **may be reviewed by the Director of the Department of Revenue or the**
30 **deputy director and may be modified or rescinded only by the Taxpayer**

1 Advocate, the director or the deputy director. A written explanation
2 of the reasons for any modification or rescission of an order by the
3 director or deputy director shall be provided to the Taxpayer Advocate.

4 “(4) An appeal may not be taken from an order issued by the Tax-
5 payer Advocate under this section or from any modification or
6 rescission of an order by the director or deputy director.

7 “(5) All orders issued under this section, along with any related
8 taxpayer information, are considered particulars of a return, as de-
9 fined in ORS 314.835, and may not be disclosed by the department, ex-
10 cept as otherwise provided in ORS 314.835 or 314.840 or other applicable
11 law.

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

16 “(2) The report required under this section shall include, for the two
17 calendar years immediately proceeding:

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

20 “(b) Actions taken to resolve complaints made to the office.

21 “(c) Evaluations by taxpayers of the quality of service provided by
22 the department.

23 “(d) Operational issues or other barriers that office staff perceive
24 as preventing equitable and fair collection of taxes.

25 “(e) Recommendations to policymakers on administrative efficien-
26 cies related to Oregon tax law.

27 “(f) Recommendations to policymakers on the effectiveness of the
28 Taxpayer Advocate program in removing obstacles to taxpayer com-
29 pliance with the tax system.

30 “SECTION 4. The Department of Revenue may adopt rules as it

1 **deems necessary to carry out the purposes of sections 2 to 4 this 2021**
2 **Act, including rules to further define what constitutes relief related**
3 **to department policies or procedures and the scope of orders issued**
4 **under section 3 of this 2021 Act by the Taxpayer Advocate.”.**

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