

ORAL TESTIMONY
BEFORE 2021 OREGON LEGISLATURE
Joint Committee on Ways & Means
Subcommittee on General Government (SB5537)
31 March 2021

My name is Dale Myers. Thank you for this opportunity to appeal directly to you today to STOP the abusive and predatory practices of the present transit taxation system. To be crystal clear, I am Not a tax protestor. I believe in fair and equitable tax systems funding important and valuable government services, including public transportation. I've always done my part, paying taxes in full and on time. I work hard and play by the rules. I am however, adamantly opposed to the use of a transit tax system, administered by Department of Revenue and backed by Department of Justice attorneys, to strong arm and extort small business owners like me.

The Oregon Legislature set out to create a fair and equitable tax system. But the present transit tax system, as administered meets neither of these criteria.

I'm here with solutions, not just complaints. My written testimony expands on my suggested remedies, in addition to detailing some of the abusive and predatory practices I've experienced.

Solution 1: No Sneaky Taxation! Integrate transit taxes into the state tax filing system.

Solution 2: Strengthen the Currently Weak & Meaningless Taxpayer Bill of Rights, by aligning it with your legislative goals, values and principles already described in statute.

Solution 3: Empower The Oregon Secretary of State's Office...their...
Audits Division, Small Business Advocate and Fraud Waste & Abuse Team.

Solution 4: Empower Oregon Tax Court Magistrates to create a system where a taxpayer could achieve meaningful justice, and the Taxpayer Bill of Rights is not actively ignored as irrelevant.

I want Oregonians to have a tax system that operates ethically and equitably to fund important services. Every day without reforming the unjust and abusive transit tax system gives one more reason why taxpayers don't trust government or their elected representatives. You have the power and responsibility to change this. Do you have the courage? Thank You.

EXPANDED WRITTEN TESTIMONY
BEFORE 2021 OREGON LEGISLATURE
Joint Committee on Ways & Means
Subcommittee On General Government (SB5537)
31 March 2021

My name is Dale Myers. I am an Oregon Duck (PhD 2000), an Oregon homeowner, and a self-employed professional with two single-member LLCs domiciled in Oregon. Thank you for this opportunity to provide testimony to your Committee and offer feedback and suggestions based on my experience with the Oregon Department of Revenue's (DOR) Transit Tax section.

I am here today to appeal to you to STOP the abusive and predatory practices of the present transit taxation system. I want to be crystal clear. I am Not a tax protestor. I believe in fair and equitable tax systems that fund important and valuable government services, including public transportation, and I've always done my best to pay all taxes in full and on time. I work hard and play by the rules. I am however, adamantly opposed to the use of a transit tax system, backed by Department of Justice (DOJ) attorneys, to strong arm and extort small business owners like me.

The Oregon Legislature set out to create a fair and equitable tax system. But the present transit tax system meets neither of these criteria.

In this expanded written testimony you will find detailed some of the abusive and predatory practices I've experienced, as well as greater detail for suggested legislative remedies.

My experience with the Department of Revenue's collection of Lane Transit District (LTD) Self-Employment Taxes includes the following...

- * DOR demanded that I file an LTD Self-Employment Tax return even though my business had no income sourced from within the District and thus had no requirement or reason to file.
- * When I contacted DOR Salem, the **representative warned me to beware the transit tax team**, because they crucify taxpayers who are powerless.
- * When I contacted DOR's transit tax team, the representative proudly informed me that DOR **deliberately delays (3 years) notifying taxpayers** of possible transit tax liability until maximum penalties can be assessed, even though DOR identifies this liability much earlier.
- * The DOR transit tax expert **refused to provide any legal explanation or statutory basis** for her determination that I owed LTD Self-Employment Taxes, arrogantly **denied I had any legal rights to appeal** her demands or decisions and **failed to offer the required conference** to efficiently resolve the matter.

* The DOR transit tax expert demanded an accounting of business activities for the purpose of apportionment, but **refused to clearly explain** what activities to include or how to value them.

* The DOR transit tax **expert applied the incorrect standard** for assessing transit taxes on my small business, and repeatedly refused to accept information from me that would have clearly shown that I owed no LTD Self-Employment taxes.

* The DOR transit tax expert actively and overtly **threatened** me, my business and my home if I filed a “zero owed” LTD SE Tax return. She claimed that DOR could view such a filing as frivolous and subject me to prosecution and severe penalties. DOR would later use my refusal to file this potentially frivolous return as justification for their punitive actions.

* DOR transit tax assessments were then issued for three tax years, based ostensibly on “best available information”, while they actively and overtly **ignored readily available information** that contradicted or disproved their assessment, while claiming I must have been working in the District, though my California Non-Resident tax returns showed the vast majority of income was earned from services provided in that State.

* Additionally, with DOR transit tax assessments ostensibly based on “best available information”, DOR actively and overtly **refused to accept information from me** that absolutely contradicted and disproved their assessments (e.g., IRS 1099s, billing invoices, etc. The DOR representative claimed this information was entirely irrelevant, because my business was domiciled within the district and a home office deduction was claimed on my federal return, which they had accessed. Again, an incorrect legal definition and taxation standard were applied by the DOR transit tax expert.

* I contacted three tax attorneys exploring legal assistance.

(a) I was informed that fighting such a case would cost an estimated \$10,000 - \$20,000 for starters, would not guarantee a positive outcome even if DOR was entirely at fault, and was simply not worth the amount assessed.

(b) One nationally accredited tax attorney stated “If you rank order the states on competence in interpretation of tax laws, Oregon is at or near the bottom of the fifty states”, Oregon is “a foreign land for tax issues,” and “Short of rape and murder, you could tell me Department of Revenue did it, and I’d say I’ve seen it before.”

(c) I was informed that DOR and DOJ approach these cases “like a UFC cage fight.” Justice has nothing to do with it, their strategy is to simply overpower and outlast plaintiffs.

(d) I was advised to contact DOR to see if I could negotiate a lower amount than the assessment indicated, even though I owed nothing. It may feel like state sanctioned extortion, I was told, but “don’t die on principle hill.” “You will lose. **It’s not fair. It’s not equitable. It’s not right.**” Pay **whatever DOR demands – even if you owe nothing**, it’s cheaper than hiring an attorney to fight back.

* At my request, the Oregon Secretary of State’s Small Business Advocate (SBA) met with the DOR supervisor to whom I had repeatedly sent letters of protest, and they concluded, and SBA

notified me in writing, **that I owed no transit taxes**. However, SBA advised that I still may need to file an appeal to preserve my rights, as their conclusion was unenforceable.

* When contacted, the Oregon Secretary of State's Fraud, Waste & Abuse hotline agent informed me their system is **not set up to document complaints filed by citizens**, only reports from government employees. Nonetheless he took my report and did his best to fit it into their system format. Their only conclusion was that I had reported my complaint to the appropriate agencies.

* Repeated written letters of protest to the DOR transit tax expert's supervisor (previously contacted by SOS SBA) went **unanswered until the appeal deadline with Oregon Tax Court (OTC) was past**, and I had already timely filed a formal appeal. Still, no theory of taxation was given, and no statutorily required "clear explanation" (ORS 305.875 and 305.885) was provided by DOR.

* When I contacted the Lane Transit District (LTD), as taxation authority in this matter, their General Manager researched the problem and concluded that what their tax collection agent, DOR, had done to me was **"disgusting" and "predatory."** "We can do better" she said. Based on her research, she learned that the DOR transit tax team researches and then **targets small business owners** who are unlikely to have the political connections or financial resources to hire an attorney to fight back, thus maximizing collections. The LTD GM's statements indicated that she knew that their tax collection agent's behavior was not only unfair and inequitable, but **unlawfully regressive** by unjustly targeting small businesses. She also asserted that DOR representatives were being **incentivized to engage in this bad behavior** by earning "comp time" for collections.

* When contacted, a Eugene Area Chamber of Commerce representative stated that she was aware of DOR engaging in a **pattern of "pervasive predatory practices"** against small business owners, and shared her own stories of bad behavior by DOR.

* LTD, empowered by the Oregon Legislature to exercise the powers of a political subdivision of the State, and having taxation authority, **does not answer to taxpayers** or constituents, **claims to bear no responsibility for bad behavior** by their tax collection agent (DOR), and **refuses to engage** in the appeals process even when the General Manager promised to "do the right thing" to resolve the matter fairly.

* LTD leadership made a show of having a transit police officer present for my public testimony before their Board, then released him when my testimony was completed.

* With direct appeals to DOR & LTD availing nothing, the case moved to the Oregon Tax Court (OTC), and **DOR immediately engaged a DOJ attorney with the virtually unlimited resources** of the State to fight against a taxpayer representing himself before a magistrate. **This is a rigged system that a pro se taxpayer cannot possibly win, and DOR & DOJ cannot possibly lose, as they simply bill all costs to the transit district.**

* Before the Court, **DOR & DOJ continued to violate the taxpayer’s right** to clear explanation. They continued to refuse to provide the taxpayer with a single theory or basis for transit tax liability, instead changing or hiding the basis even from the magistrate.

* During Tax Court proceedings, the DOJ attorney informed me that **the Statutory Goals of Fairness & Equity, and the Seven Guiding Principles set forth by the Oregon Legislature (ORS 316.003) are deemed irrelevant and immaterial** when it comes to transit tax cases before the Oregon Tax Court, as are specific Taxpayer Rights as outlined at ORS 350.860 to 350.900, **even when flagrantly and repeatedly violated by Oregon Department of Revenue.**

* During Court proceedings, the **DOJ attorney aggressively threatened me** with expanding the scope of investigation into my taxes in a manner that a tax attorney later described to me as “worrisome,” and subsequently advised me to contact the Oregon Bar Association to discuss an ethics complaint.

The story above is not an isolated tale of abuse of governmental power by Oregon Department of Revenue supported by the Oregon Department of Justice. This assertion is backed by the observation of the Lane Transit District General Manager, experiences of multiple tax attorneys, comments found in the Capital Chatter publication (see attached) and is consistent with the DOR employee report in the 2019 SOS Audit of DOR culture (pg. 10) noting that “Previously customer service was a priority, now it is just about production.” A pervasive pattern of abuse does damage not only to small business owners and their families, but to the credibility of the State of Oregon.

Despite the tremendous harm to me and my family over the past two years, compounded by the repeated failures of multiple state agencies and leaders to stop that harm, I am here because I want to make things better. I was raised to do the right thing, no matter the cost. Doing the right thing and pursuing justice in this case has cost me more dearly than you will ever be able to understand. In that spirit, I have thought in great detail about what can be done to prevent the same harm from other small business owners who may not be able to fight back.

I am here with solutions, not just complaints. Doing nothing is not an option if a Fair and Equitable tax system remains the goal of this Legislature. Solutions include...

1. **No Sneaky Taxation! Integrate transit taxes into the state tax filing system.**
2. **Empower the Currently Weak & Meaningless Taxpayer Bill of Rights: Align the “Taxpayer Bill of Rights” at ORS 350.860 to 350.900 with your legislative goals, values and principles already described in statute at ORS 316.003, and make violation of these rights consequential.**
 - A. The Taxpayer Bill of Rights *must* include specific, measurable and observable objectives to operationalize the values and principles you’ve already created, and
 - B. Consequences of Violations of the Taxpayer Bill of Rights by DOR and/or DOJ:
 - (1) Authorize OTC magistrates to award attorney fees and costs to taxpayer plaintiffs,

(2) Authorize OTC magistrates to dismiss a DOR action against a taxpayer when significant or repeated violations of taxpayer rights by DOR are demonstrated.

(3) Authorize OTC magistrates to shift the burden of proof from the plaintiff taxpayer to the defendant DOR when significant or repeated violations of taxpayer rights by DOR are demonstrated.

3. **Empower The Oregon Secretary of State's Office**

A. Direct the SOS **Audits Division** to annually audit DOR performance and culture, considering best practices and consensus standards for taxation, whenever available, and including key performance indicators, such as (a) the alignment between DOR practices and a *meaningful* Taxpayer Bill of Rights; (b) the cases before OTC where a pro se taxpayer is opposed by a DOJ attorney, including descriptive statistics such as type of business (LLC, Corp, etc.), size of business (# of employees and gross revenue), race/ethnicity of business owner, gender of business owner, etc.; (c) the percentages of cases before OTC where a pro se taxpayer does not prevail; (d) all requests for assistance (de-identified) brought to SOS-SBA involving DOR, and the resolution of such requests; (e) all reports to SOS-FWA (de-identified) and the resolution of such requests; (f) comprehensive data of the satisfaction of all Oregon taxpayers who report issues to or file complaints with SOS-SBA or SOS-FWA, and all interactions with DOR, as collected based on a statutorily mandated disclosure notice; (g) report the cost-benefit in dollars, and taxpayer perception for collection and prosecution of small tax assessments (under \$10,000?).

B. Authorize the SOS **Small Business Advocate (SBA)** to assist small business owners seeking assistance with state agencies, without regard to whether that business owner has enlisted the support or assistance of other resources (e.g., speaking with legislators about legislative remedies, consulting with attorneys about the formal appeal process, etc.). Direct the SOS SBA to file report with FWA if the reported case involves fraud, waste or abuse by any agency of the state or government subdivision. And, to annually provide a summary of cases and outcomes (de-identified) to the SOS-Audits Division and the Legislature.

C. Direct the SOS **Fraud, Waste & Abuse (FWA) team** to receive reports of FWA directly from any party, including the general public, and to report any cases involving possible criminal activity to law enforcement, and ethical violations to the appropriate professional association or guild.

D. Require that the annual reports on DOR performance by the Audits Division, SBA and the FWA Team be submitted annually to the Legislature, and made continuously available to the public on both DOR and SOS websites.

4. **Empower Oregon Tax Court Magistrates: to create a more just system wherein a taxpayer could actually prevail, the Taxpayer Bill of Rights is not irrelevant or immaterial, and violations of taxpayer rights cannot actively be ignored.**

A. Prohibit DOR from “rigging the system” by engaging the unlimited resources and funding of DOJ in OTC cases against a pro se taxpayer plaintiff.

B. Authorize the OTC magistrates to shift the burden of proof from the plaintiff taxpayer to the defendant DOR when DOR has failed to offer a conference with the taxpayer prior to a formal complaint, or DOR is unwilling to engage in good faith mediation.

C. Authorize OTC magistrates to award reasonable attorney fees and associated costs to a taxpayer plaintiff in cases where they deem it appropriate or in the interest of justice, thus decreasing frivolous collection actions and incentivizing expeditious resolution.

D. OTC magistrates must have the authority to safeguard taxpayer rights in all proceedings before the Court.

1. OTC magistrates *must* consider violations of taxpayer rights when (a) considering their decisions and making rulings, and (b) awarding attorney fees and costs to a taxpayer plaintiff.

2. OTC magistrates may dismiss a DOR action against a taxpayer when significant or repeated violations of taxpayer rights by DOR are demonstrated.

3. OTC magistrates may shift the burden of proof from the plaintiff taxpayer to the defendant DOR when significant or repeated violations of taxpayer rights by DOR are demonstrated.

All of the aforementioned suggestions can be accomplished within existing governmental structures, are independent of DOR and DOJ, and minimize agency conflicts of interest.

Right now the DOR transit tax team can act contrary to the best interest of the citizens and government of Oregon because (1) they are backed by the power and resources of the Oregon Department of Justice; (2) they are allowed to do so by the Oregon Legislature and the governor; (3) they do not answer to the voters and taxpayers of Oregon; and (4) the Oregon Tax Court is prohibited from considering even the most egregious violations of the fundamental rights of taxpayers. This means that only those who are wealthy or politically connected stand a chance of achieving justice in the Oregon taxation system.

If you as legislators choose to do nothing on this issue, these stories and allegations of abuse of power by Oregon government will continue. If these stories are true, doing nothing will embolden the bad actors to engage with impunity in increasingly abusive behavior. Even if you believe these stories are overstated, they will nonetheless continue to proliferate and grow, doing harm to the credibility of state government, damaging the reputations of state legislators, and discouraging entrepreneurs from engaging in small business ventures in Oregon. These small businesses are the engine of our state's economy and are the most vulnerable component. By taking action, the Legislature can determine the scope and nature of the problem, the first step in crafting legislative solutions.

Oregonians want a tax system that operates ethically and equitably to fund important services. Every day without reforming the unjust and abusive transit tax system gives one more reason why taxpayers don't trust government or their elected representatives. You have the power and responsibility to change this. Do you have the courage?

An Open Letter
Director, Oregon Department of Revenue

Dear Director Imholt,

Congratulations and welcome to your new position at the Department of Revenue.

As I prepare to make my decision about settlement in my Oregon Tax Court case, I wanted to ensure that you were given the opportunity to fully review and understand the actions of your department. That way I can know for certain that you approve of those actions and the settlement I may be forced to accept based on the imbalance of resources, and your ability to outspend me into submission.

Just so you are clear, this is the case where...

- * The DOR transit tax “expert” repeatedly **applied the wrong taxation standard**, then she **denied my due process rights**, and **overtly threatened** me.
- * the DOR transit tax supervisor repeatedly **violated the Oregon Taxpayer Bill of Rights**.
- * The SOS Small Business Advocate met with the DOR transit tax supervisor two years ago, after which the advocate informed me in writing that they had jointly concluded that I **owed no taxes**.
- * The Lane Transit District General Manager described DOR’s behavior as **disgusting** and **predatory**.
- * A local Chamber of Commerce representative described DOR’s behavior as part of a pattern of **“pervasive predatory practices.”**
- * A nationally accredited tax attorney stated that DOR approaches these cases like a “UFC cage match”... **“It’s not fair. It’s not equitable. It’s not right.”** Justice for taxpayers has nothing to do with it.
- * DOR engaged a DOJ attorney against me while I was a pro se taxpayer plaintiff. That attorney then **engaged in threatening behavior** that a tax attorney later described to me as “worrisome,” and subsequently advised me to contact the Oregon Bar Association to discuss an ethics complaint.
- * Your agency has now agreed to abate the assessments, so long as I don’t ask them to follow the law, respect my rights as an Oregon taxpayer, or take responsibility for their misbehavior.

I could provide greater detail and more information if you wanted them. But I wanted to ensure that you have been given the opportunity to be aware of and fully approve of your agency’s behavior. Simply looking the other way is always one choice you could make. I hope you won’t, but it is an option, as evidenced by your predecessor. This is now **Your** Department of Revenue.

What will *you* do, Director Imholt? Is this the kind of agency you want to run, choose to run? Is this the example you would want Oregon educators and parents to present to children? I truly hope not.

Respectfully,

Dale Myers

2021-03-17

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Capital Chatter: 30 questions for Knute and Kate

Created: 11 October 2018 | Written by Dick Hughes/For Oregon Capital Insider
Oregonians now know more about their two leading gubernatorial candidates, Gov. Kate Brown and Rep. Knute Buehler, and a little about Independent Party candidate Patrick Starnes.

Three debates. Questions answered and questions dodged. Nifty campaign rhetoric. Big promises. Heartfelt stories. Repetitious political jabs. No gaffes.

Oregonians now know more about their two leading gubernatorial candidates, Gov. Kate Brown and Rep. Knute Buehler, and a little about Independent Party candidate Patrick Starnes, who was invited only to the first debate.

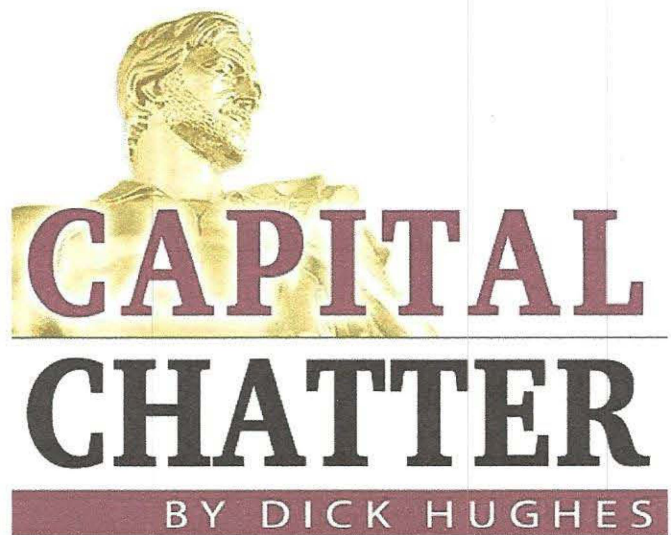
That initial debate focused on youth issues, whereas the others were general. I like themed debates, because they yield greater insights into candidates' ideas and depths of knowledge.

If there were to be a fourth debate between Democrat Brown and Republican Buehler — which there won't be — I would focus on the governor's role as CEO of Oregon, add a few still-getting-to-know-you questions, reiterate questions that remain unanswered and, to spice it up, end with a lightning round of yes-or-no questions.

This is a job interview, after all, for the highest job in the state. The debate would be scored. Each candidate would lose points for 1) failing to give a direct answer; 2) complaining about or criticizing the opponent, which is highly inappropriate in a job interview; 3) exceeding time limits; and 4) general surliness.

The questions:

- One of you will be CEO of Oregon. What would your management approach be?
- Gov. Brown, there has been significant turnover in your office staff and office leadership during your tenure as governor and previously as secretary of state. Why?



- Rep. Buehler, why should voters believe you have the expertise to effectively lead and manage a sprawling state government composed of dozens of agencies?
- What was one of the worst managerial mistakes you made, and what did you learn from it?
- Give an example of a current state agency that you believe operates well and one you think needs an overhaul – and why.
- History shows there's a good chance that whoever is elected will face an unexpected crisis in the state. Since no one knows what that crisis will be, why should Oregonians choose you as the best person to handle any crisis?
- The Oregon Department of Revenue has a reputation for aggressively auditing individual taxpayers and small businesses for relatively small amounts of money — amounts where the department is likely to collect because it's not cost-effective for the taxpayer to hire a lawyer. What do you think of Rep. Greg Smith's idea that if a small business fully passes an audit in a tax area, it would a several-year exemption from future audits in that same area?
- Businesses want certainty, yet the Legislature — and sometimes the governor — keep adding regulations and rarely take any away. Often these rules differ from the related federal rules. That divergence drives up costs for businesses by forcing them to spend time checking two sets of complicated rules. Will you develop ways for easing that burden by better coordinating state and federal rules without undercutting the intent of Oregon regulations?
- On a related note, the state has thousands of administrative rules that implement laws. Too often those rules are vexing to the legislators who wrote the underlying legislation and to the people governed by those rules. Will you work with the Legislature to create an ongoing process for reviewing and clarifying administrative rules that remain necessary and eliminating ones that are obsolete?
- Do you expect your appointees to state boards and commissions to be politically independent of you in their actions or, as sometimes has occurred, will you sometimes insist they vote a certain way?
- If you were to offer your opponent a job in your administration, what position would it be and why?
- Gov. Brown, after the 2017 Legislature concluded, you said that you and legislative leaders would work on a revenue package for the 2019 Legislature. So far, you have revealed no such proposals. If you are re-elected, your 2019-2021 budget will be due less than a month after the election. What specific revenue increases will you propose? If you are unwilling to say at this time, why should voters believe you'll follow through.
- Rep. Buehler, what specific tax increases or new tax and fees would you support and under what circumstances?
- Agencies propose roll-forward budgets, instead of starting with zero-based budgeting that first assesses whether existing programs are needed and are working. How would you encourage and reward agencies for taking a zero-based budgeting approach?
- Gov. Brown, your blue-ribbon PERS task force discovered the state lacked an overall inventory of the land and buildings it owns. A year has passed. Has that inventory been completed; if not, why?

RECOMMENDATION TO 81st OREGON LEGISLATURE

on

Senate Bill 5537

OPPOSED

I support fair and equitable taxes. I Strongly Oppose this bill. You should too!

This bill *must prohibit* the Oregon Department of Revenue (DOR) from expending funds or taking actions that result in engaging Department of Justice attorneys against taxpayers who represent themselves (pro se) in tax appeals before the Oregon Tax Court.

I *strongly oppose* any increase in funding or increase in personnel FTE in collections or transit tax administration. DOR has wasted transit tax funding on unjustified and frivolous transit tax collection actions in a manner that the Lane Transit District General Manager described as “disgusting” and “predatory.” Such waste reduces funding for other important services. Abusive actions by DOR have unduly *burdened* Lane County taxpayers, *wasted* valuable federal grant dollars, and *deprived* public transit patrons of much needed services.

Please stop the abusive behavior by the DOR transit tax team in unjustly targeting small business owners! This is contrary to the Legislative goals of Fairness & Equity for the state tax system, and violates the statutory prohibition on regressive taxes (ORS 316.003).

For additional information, please refer to my written testimony before the Joint Committee on Ways & Means Subcommittee on General Government (SB5537) currently scheduled for March 31st, 2021

RECOMMENDATION TO 81st OREGON LEGISLATURE
on
House Bill 3373

After two years of unrelenting advocacy with the goal of meaningful legislative reform to stop abuses by Oregon Department of Revenue (DOR), I applaud Representative Fahey's actions to present such reform, though HB 3373 only partially achieves that goal.

The introduced bill offers two primary remedies to the serious problems with this agency:

First, Authorizes the magistrates to award reasonable attorney fees and costs to taxpayer plaintiffs with cases before the Oregon Tax Court in both Regular and Magistrate Division, including cases involving self-employment transit taxes.

I STRONGLY SUPPORT this crucial provision:

- (a) It disincentivizes DOR from engaging in abusive and frivolous collection actions, and
- (b) It incentivizes efficient and just resolution of tax matters, particularly those involving relatively small dollar amounts, and
- (c) It helps level the financial playing field when a taxpayer is opposed by DOJ.

Second, It Establishes an office of Taxpayer Advocate within Department of Revenue.

I VIGOROUSLY OPPOSE this misguided provision:

- (a) This in-house, "fox-guarding-the-henhouse" proposal is similar to a **previously failed** strategy. Please don't repeat the same harmful mistake again.
- (b) The proposed advocate office **will utterly lack credibility** by Oregon taxpayers, as it has **not even the appearance of legitimacy or independence** from the control of the Department, and the DOR Director is explicitly given authority to select (and one would assume, evaluate and terminate) personnel in that office (Section 2(1)),
- (c) The proposed office is **given only "may" act authority** (rather than "shall" act) in critical events such as **improper, abusive or inefficient behavior by DOR**, as well as Identifying policies and practices of the department that might be **barriers to the equitable treatment of taxpayers**, and the **improper administration of the law** (Section 2(3)).
- (d) The **director may modify (veto) any action taken** by the office (Section 2(4)).
- (e) This proposal **gives only the appearance of good will and good faith**, while strengthening DOR's position in actions against taxpayers.
- (f) This proposed "solution" is **a flagrant waste of hard-earned taxpayer dollars.**

I urge an amendment to remove this portion of HB 3373.

For additional information on specific recommended reforms, please refer to my testimony before the Joint Committee on Ways & Means Subcommittee on General Government (SB5537) scheduled for March 31st, 2021. These include:

1. Eliminate Sneaky Taxes! Integrate transit taxes into the state tax filing system
2. Strengthen the Currently Weak & Meaningless Taxpayer Bill of Rights
3. Empower The Oregon Secretary of State's Office (SBA, FWA, and Audits)
4. Empower Oregon Tax Court Magistrates to create a system where rights are not ignored.