

SUBCOMMITTEE RECOMMENDATION

Item 47: Board of Tax Practitioners Litigation Cost Increases

To: Ways and Means Full Committee
From: General Government Subcommittee
Carrier: Senator Anderson

The General Government Subcommittee heard a request from the Board of Tax Practitioners to increase Other Funds expenditure limitation on a one-time basis to cover increased Attorney General costs.

The Board has seen an increase of legal fees due to litigation around the statutory requirement of out-of-state tax practitioners to be licensed in Oregon to work on Oregon tax returns. The Board has had to defend its statutory authority in response to a lawsuit brought against it in February 2025. The lawsuit had a judgement of dismissal in favor of the Board; however, that decision has been appealed and now sits within the Oregon Court of Appeals. Because of this, the Board is expected to go over its expenditure limitation due to the increased Attorney General costs stemming from the ongoing litigation. The Board has a sufficient cash balance to cover the increased expenditures.

The General Government Subcommittee recommends that the Joint Interim Committee on Ways and Means recommend including an increase of \$100,000 in Other Funds expenditure limitation for the Board of Tax Practitioners in a budget reconciliation bill during the 2026 legislative session to cover increased Attorney General costs.