

SB 1556 -1, -2 STAFF MEASURE SUMMARY

Senate Committee On Judiciary

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Meeting Dates: 2/2, 2/4, 2/9

WHAT THE MEASURE DOES:

The measure consolidates and modifies requirements regarding representation of persons in the Oregon Tax Court, Magistrate Division.

Detailed Summary:

Modifies the laws regarding the qualifications for persons who represent taxpayers in the Magistrate Division and specifies procedures for designating a representative. It repeals ORS 305.245 (Representation before tax court magistrate by officer or employee of local government or department) and 305.494 (When shareholder may represent corporation in tax court proceedings). The changes apply to proceedings that start on or after January 1, 2027. Takes effect on the 91st day following sine die.

ISSUES DISCUSSED:

- A workgroup that included the Oregon Tax Court worked on SB 1556
- Current laws concerning representation on the Magistrate Division are spread across multiple statutes and are not user friendly; this measure would place all the requirements in the same place
- The list of persons who can represent someone in court is a non-exhaustive list
- Many non-attorneys appear in the Magistrate Division so it's even more important to make the process clear

EFFECT OF AMENDMENT:

-1 Replaces the measure.

Consolidates and modifies requirements regarding representation of persons in the Oregon Tax Court, Magistrate Division.

Modifies the laws regarding the qualifications for persons who represent taxpayers in the Magistrate Division and specifies procedures for designating a representative. It repeals ORS 305.245 (Representation before tax court magistrate by officer or employee of local government or department) and 305.494 (When shareholder may represent corporation in tax court proceedings).

For types of professionals that may represent someone in Magistrate Court, changes the language proceeding the list from “may include” to “including but not limited to.”

Clarifies that a professional representing a taxpayer in Magistrate Court does not need to be licensed or registered in Oregon.

Requires that a representative recognized by the Magistrate court must also be recognized by the Department of Revenue for the same case. Removes duplicative language.

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-2 Replaces the measure.

Consolidates and modifies requirements regarding representation of persons in the Oregon Tax Court, Magistrate Division.

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For types of professionals that may represent someone in Magistrate Court, changes the language proceeding the list from “may include” to “including but not limited to.”

Clarifies that a professional representing a taxpayer in Magistrate Court does not need to be licensed or registered in Oregon. Specifies that a person representing a taxpayer may be a real estate broker or principal real estate broker, an appraiser, a tax preparer or tax consultant, in addition to other listed professions or any other natural person.

Requires that a representative recognized by the Magistrate court must also be recognized by the Department of Revenue for the same case. Removes duplicative language.

The changes apply to proceedings that start on or after January 1, 2027. Takes effect on the 91st day following sine die.

BACKGROUND:

The Oregon Tax Court is part of the Oregon Judicial Branch. It’s a statewide court with exclusive jurisdiction for appeals under state tax laws and local tax laws. Appeals come to the court from actions taken by the Oregon Department of Revenue, a county assessor, a county Property Value Appeals Board (PVAB), or the Portland Revenue Division.

The Tax Court has two divisions: the Magistrate Division and the Regular Division. Most appeals to the Tax Court are first filed in and heard by the Magistrate Division. Magistrate Division decisions can be appealed to the Regular Division. Regular Division decisions may be appealed directly to the Oregon Supreme Court.

In the Magistrate Division cases are heard by a magistrate. Magistrates encourage cooperation between the parties and offer mediation services. The magistrate will listen to what the parties present and issue a written decision resolving the dispute. The decision is based only on the written and oral evidence the parties provide. There is no official transcript or recording of the proceeding.