

Background

Oregon Revised Statute 305.385 requires taxpayers seeking to obtain a contract or agreement of services, to be in compliance with the filing of tax returns or payment of tax. The taxpayer must certify in writing, under the penalty of perjury, that they are not in violation of any tax laws described in ORS 305.380(4) if the contract and renewal or extension is more than \$1,000.

In 2025, [House Bill 2084](#) would have required entities awarded state contracts to show proof of compliance with the tax laws of the state, cities, and counties. The bill required public contractors to demonstrate and maintain tax compliance as a condition of the execution of a public contract. Amendments were discussed, and would have raised the contract value to \$25,000, to require proof of tax compliance. Ultimately HB 2084 was not approved.

This session, [House Bill 4016](#) proposes that providers and their owners, as defined in the bill, must show proof of compliance with tax laws when the contract is granted or renewed. It requires public contractors to demonstrate tax compliance, through a certification process run by the Department of Revenue (DOR), as a condition of the execution of a public contract over \$250,000. Recipients of state contracts under this amount would be required to self-certify their tax compliance.

Tax Compliance Certification (TCC) Process

Some Oregon government agencies currently require contractors, licensees and other applicants to demonstrate tax compliance with DOR programs as a condition of doing business in or with the state of Oregon. Tax compliance certification is intended to: verify that an individual and/or business meets Oregon tax filing and payment obligations; encourages voluntary compliance; and provides a consistent transparent and customer focused process.

Current process overview

1. A customer initiates a request for a tax compliance certificate.
2. Requests are submitted through Revenue Online (ROL) or a mailed paper form. DOR is working to phase out paper forms and transition to ROL only.
3. DOR reviews whether the customer is compliant with applicable Oregon tax obligations including filing returns, making payments, or agreeing to a payment arrangement.
Multiple areas of the agency review the request depending on which programs the customer is subject to, and whether they have an outstanding balance.
4. Generally, DOR will issue the certificate or provide a denial letter within two to five business days after processing begins. If there are errors on the application, DOR will notify the applicant and work on corrections.

Additional time may be needed when DOR works with a customer to resolve issues that prevent compliance (e.g. they are missing or have filed late returns, they want to set up a payment plan, etc.)

5. Complex entities, multiple owners, or requests from individuals that are not authorized for the business could require additional response time for the customer to receive a certificate or denial letter from DOR.

Certificate Valid Period or Expiration

- The department issues certificates based on compliance at the time of the review. **Compliance with tax laws may change depending on the customer, tax programs, timing of the request, and issuance of a certificate.**
- The agency that requires the certificate determines how long a certificate remains acceptable for its program (typically 90 days) and whether a new certificate is required in the future.

Agency Contact

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