



HB 4016: Improving Tax Compliance of State Contractors

House Revenue – Jim Scherzinger – 2.3.2026

My name is Jim Scherzinger and I am representing Tax Fairness Oregon, a network of volunteers who advocate for a rational and equitable tax code.

Tax Fairness Oregon supports efforts to improve the collection of delinquent taxes and the idea that the state does business only with responsible business owners. This is particularly important when the delinquent taxpayer is benefiting from the taxes faithfully paid by the Oregon citizens and companies.

Current law requires state agencies to report contractors to the Department of Revenue and allows the Department to take action on a contractor who is out of compliance with tax laws. Current law also requires state contractors to attest they are in compliance with state tax laws and allows state agencies to deny contracts to those that are out of compliance.

Nonetheless, recent news reports show that some large state contractors are routinely delinquent.

HB 4016 is a significant improvement over the bills considered in the 2025 session. It builds on an existing Department of Revenue process and focuses on the largest offenders, thus maximizing the benefit at a reasonable administrative cost.

We believe HB 4016 is a good step toward assuring state contractors are complying with tax laws and we support its passage.