



Oregon Society of Certified Public Accountants

10206 SW Laurel Street Beaverton, Oregon 97005-3209 • PO Box 4555 Beaverton, Oregon 97076-4555
503-641-7200 / 1-800-255-1470 • Fax 503-626-2942
oscpa@orcpa.org • www.orcpa.org

Oregon Legislative Assembly – 2019 Regular Session Hearing – House Committee on Revenue

Written Testimony related to House Bill 2101

January 31, 2019

Dear Chair Representative Nathanson, Vice-Chair Representative Findley, Vice Chair Representative Marsh and Members of the House Committee on Revenue:

On behalf of the Oregon Society of Certified Public Accountants (OSCPA), representing nearly 4,500 members, please accept our written testimony for House Bill 2101 (HB 2101) relating to conformity with federal centralized partnership audit rules (CPAR). We appreciate the opportunity to contribute to today's hearing.

In support with technical corrections:

Over the last two years, the Council on State Taxation (COST) has worked with the Multistate Tax Commission (MTC) and organizations such as the American Institute of CPAs on model statute. As detailed in the testimony of COST, we too commend the Department of Revenue's utilization of MTC's model statute as the basis of HB 2101.

Separately, you will hear specific testimony from the Department of Revenue and recommendations from COST on suggested technical corrections.

We respectfully urge your support for HB 2101 with the technical corrections briefly summarized below:

- Define "final determination date" or clarify the meaning of "the date of the audit report" which is the language used in HB 2101
- Address and clarify references to "tax matters partner" in HB 2101
- Clarify treatment of tax-exempt entities
- Clarify certain information necessary for a taxpayer to determine allocations to nonresidents and indirect partners

Thank you again for the opportunity to provide written support at today's hearing.

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