

HB 2235 STAFF MEASURE SUMMARY

Carrier: Rep. Marsh

House Committee On Revenue

Action Date: 03/07/19

Action: Do Pass.

Vote: 6-0-1-0

Yeas: 6 - Hernandez, Marsh, Nathanson, Reschke, Smith G, Smith Warner

Exc: 1 - Findley

Fiscal: No fiscal impact

Revenue: No revenue impact

Prepared By: Kyle Easton, Economist

Meeting Dates: 2/14, 3/7

WHAT THE MEASURE DOES:

Allows refund of personal income tax to be made by direct deposit into account designated by taxpayer.

ISSUES DISCUSSED:

- General comment related to concerns of potential fraud or other potential issues related to income tax refunds
- Account to receive personal income tax refund must be able to receive an Automated Clearing House (ACH) direct deposit.

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

ORS 305.762 specifies that a refund of personal income tax shall be made by direct deposit into an account designated by the taxpayer at a bank or other financial institution. Examples of other taxpayer specifications of a refund include: all or a portion of a refund to a qualified higher education 529 savings account, eligible charities through the charitable checkoff program, political parties and the State School Fund in connection to a taxpayers "kicker" refund credit.