

**REVENUE IMPACT OF  
PROPOSED LEGISLATION**  
80th Oregon Legislative Assembly  
2019 Regular Session  
Legislative Revenue Office

|                      |                        |
|----------------------|------------------------|
| <b>Bill Number:</b>  | <b>SB 523 - A</b>      |
| <b>Revenue Area:</b> | <b>Tax Collections</b> |
| <b>Economist:</b>    | <b>Kaitlyn Harger</b>  |
| <b>Date:</b>         | <b>03/19/2019</b>      |

*Only Impacts on Original or Engrossed Versions are Considered Official*

**Measure Description:**

Allows the Department of Revenue (DOR) to publicly post information about debtors on the department’s website, including information on name, city and state, type of debt, lien identification numbers, and the amount of debt due. Specifies that all other debtor information remain subject to applicable confidentiality provisions. Applies only to debtors with outstanding debt owed to DOR of at least \$50,000, and to whom DOR has already issued a warrant for collection of the debt. Excludes debtors who are in a payment plan, in open bankruptcy, appealing the debt, and/or in a debt resolution agreement with DOR. Requires DOR to remove public information regarding debtors within 14 days of the debt resolution.

**Revenue Impact (in \$Millions):**

|                     | Fiscal Year  |              | Biennium     |              |              |
|---------------------|--------------|--------------|--------------|--------------|--------------|
|                     | 2019-20      | 2020-21      | 2019-21      | 2021-23      | 2023-25      |
| <b>General Fund</b> | <b>\$1.0</b> | <b>\$1.0</b> | <b>\$2.0</b> | <b>\$2.0</b> | <b>\$2.0</b> |

**Impact Explanation:**

The above estimate is based on information from a Department of Revenue (DOR) pilot program known as Treasury Offset Program (TOP) 100 pilot. During the pilot, the agency received \$420,000 in voluntary payments on a total debt of \$44 million. This bill allows DOR to publicly post debtor information to the DOR website, if the debtors owe the department at least \$50,000. The total debt owed to DOR by debtors who meet the \$50,000 threshold is roughly \$344 million. The revenue estimate is based on the pilot program collections rate combined with information on the total amount of debt due to DOR and exceeding the \$50,000 individual threshold. This estimate accounts for the deterrent effect of posting tax delinquency amounts publicly. It also considers the difficulty in collecting the total amount of debt, since some of this debt could be deemed uncollectible in the future. Over time, a deterrent effect may exist as the public posting of tax delinquency becomes familiar to taxpayers and some try to avoid being placed on the public list.

**Creates, Extends, or Expands Tax Expenditure:** Yes  No