

# House Bill 2641

Sponsored by Representative POST (Presession filed.)

## SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Limits ability of Director of Department of Revenue to terminate agreement to allow taxpayer to pay tax in installment payments.

Requires Department of Revenue to ensure that informational literature provided to taxpayers accurately reflects Taxpayer Bill of Rights.

## A BILL FOR AN ACT

1 Relating to taxpayer rights; creating new provisions; and amending ORS 305.890.

2 **Be It Enacted by the People of the State of Oregon:**

3 **SECTION 1.** ORS 305.890 is amended to read:

4 305.890. (1) A taxpayer shall have the right to enter into a written agreement with the Depart-  
5 ment of Revenue to satisfy liability for payment of any tax in installment payments if the Director  
6 of the Department of Revenue determines that the agreement will facilitate collection of such li-  
7 ability.  
8

9 (2) Except as otherwise provided in this section, any agreement entered into by the director  
10 under this section shall remain in effect for the term of the agreement.

11 (3) The director may terminate any agreement entered into by the director under this section  
12 if:]

13 [(a)] any information that the taxpayer provided to the director prior to the date the agreement  
14 was entered into was inaccurate or incomplete; or]

15 [(b) *The director believes that collection of any tax to which an agreement under this section relates*  
16 *is in jeopardy*].

17 [(4) *If the director makes a determination that the financial condition of the taxpayer with whom*  
18 *the director has entered into an agreement under this section has significantly changed, the director*  
19 *may alter, modify or terminate the agreement. Action may be taken by the director under this subsection*  
20 *only if:*

21 [(a) *Notice of such determination is provided to the taxpayer within 30 days prior to the date of*  
22 *such action; and]*

23 [(b) *Such notice includes the reasons why the director believes a significant change in the financial*  
24 *condition of the taxpayer has occurred.*]

25 [(5)] (4) The director may alter, modify or terminate an agreement entered into by the director  
26 under this section in the case of the failure of the taxpayer to:

27 (a) Pay any installment at the time such installment payment is due under such agreement;

28 (b) Pay any other tax liability at the time such liability is due; or

29 (c) Provide a financial condition update as requested by the director.

30 **SECTION 2. Section 3 of this 2021 Act is added to and made a part of ORS 305.860 to**

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1 **305.900.**

2 **SECTION 3. The Department of Revenue shall ensure that informational literature pro-**  
3 **vided to taxpayers accurately reflects the provisions of ORS 305.860 to 305.900.**

4 **SECTION 4. The amendments to ORS 305.890 by section 1 of this 2021 Act apply to all**  
5 **agreements to satisfy liability for payment of tax in installment payments, whether entered**  
6 **into before, on or after the effective date of this 2021 Act.**

7

---