



SB 800: IMPROVING TAX COMPLIANCE OF LICENSEES AND STATE CONTRACTORS

Senate Revenue – Jim Scherzinger – 1.27.2025

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 licensees and contractors to the Department of Revenue and allows the Department to take action on a licensee or 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. Under another law, the Department of Revenue publishes a list of delinquent taxpayers. In creating the list, the Department gives the delinquent taxpayer an opportunity to negotiate a payment plan that would resolve the delinquency and only includes them on the published list if no agreement is reached.

Nonetheless, recent news reports show some of the people and entities on the delinquent list have been large state contractors.

SB 800 helps to address this by clarifying and improving the process for holding contractors and licenses accountable and creating a more efficient, uniform processes for addressing delinquent taxpayers. This approach appears better than other bills introduced to address the same issues, although there may be some ideas in those bills that may be worthy of consideration.

In a hearing on the House Revenue Committee on HB 2084, which only deals with contractors, the Department agreed to convene a work group of DOR and contracting officers to work out a more efficient process than was contained in that bill.

We believe HB 800 is a good step toward developing that process and support the efforts of the work group.

We read the bills and follow the money