

Background

The department administers most tax programs under a group of administrative statutes that ensure consistency for taxpayers and the agency. These administrative statutes are in ORS Chapters 305 and 314.

Statute of Limitations

Statutes limit the time in which a taxpayer may request a refund and the time in which the department may issue an adjustment for tax due.

- The statute of limitations for personal income and corporation excise and income tax programs starts from the later of the due date for payments and returns, or the date payment is received or the return is filed.
- The statute of limitations for all other tax programs starts from the date payment is received or the return is filed, without considering payments or returns submitted before the due date.

Many taxpayers are subject to multiple tax programs and the inconsistent statute of limitations may cause confusion for taxpayers who amend returns for multiple tax programs to request a refund and are denied for one program but not another.

Establishing a new administrative statute, applicable to all tax programs, that sets the statute of limitations for refunds and adjustments to the later of the due date for payments and returns, or the received date of payments or returns, without consideration for extension of time to file. This will apply the same statute of limitations across tax programs administered by the department.

Appeals and Compliance

Some of the administrative statutes related to appeals and compliance provisions contain a list of specific tax programs. When specific tax programs are listed, it leads to confusion from taxpayers and staff who are unsure if the administrative statute applies to tax programs that are not listed. This could create inconsistent administration among tax programs.

Replacing references to specific tax programs with general applicability to tax laws administered by Department of Revenue will clarify that the statutes apply to all tax programs administered by the department.

Fiscal Impact

[Senate Bill 799](#), as introduced, does not result in a fiscal impact to the department. Internal policies and procedures will be updated with current resources.

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