

House Bill 2284

Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at the request of Governor Kate Brown for Department of Revenue)

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**.

Expands provisions for resolution of conflicting claims to taxpayer dependents to include conflicting claims to other items allowed under personal income tax laws. Modifies process requirements used by Department of Revenue for collateral audit.

Applies to tax years beginning on or after January 1, 2018.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to taxpayers making conflicting claims under personal income tax laws; creating new pro-
3 visions; amending ORS 305.215; and prescribing an effective date.

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

5 **SECTION 1.** ORS 305.215 is amended to read:

6 305.215. (1) [*Where there are conflicting claims to a personal exemption credit for a dependent al-*
7 *lowed under the personal income tax laws, the Department of Revenue shall notify by certified mail*
8 *each person claiming the same dependent, and shall set a time and place convenient to each claim in-*
9 *sofar as it is practicable, for a joint determination of the conflicting claims. Each person so notified*
10 *who appears shall bring*] **When persons make conflicting reports claiming an item of income,**
11 **deduction or credit allowed under the personal income tax laws, the Department of Revenue**
12 **may examine all conflicting reports. After examining the reports, the department shall no-**
13 **tify each claimant reporting the item that the department shall make a joint determination**
14 **to resolve the conflicting claims. Each notified claimant shall provide** the information from the
15 person's income tax returns or reports that supports the person's claim, together with all records,
16 data or other evidence providing the necessary supporting material to the information shown on the
17 income tax return. All such material shall be available for inspection by the other claimant,
18 notwithstanding any provision of ORS 314.835, 314.840 or 314.991. If [*either*] **any** claimant fails or
19 refuses to [*appear or bring such*] **provide the** information in part or in whole, the department shall
20 make its determination on the basis of all the information and evidence supplied. The provisions of
21 this chapter relating to the administration of the personal income tax laws apply to the determi-
22 nation.

23 (2) If an appeal is taken to the Oregon Tax Court pursuant to ORS 305.560 by [*either*] **any**
24 claimant, each claimant shall make available to the court information from the person's income tax
25 returns or reports supporting that person's claim, together with all evidence or supporting data
26 furnished to or subpoenaed by the Department of Revenue, as well as such other information as may
27 be presented to the court in the manner otherwise provided for in the hearing of cases in the Oregon
28 Tax Court. If [*either*] **any** claimant fails or refuses to appear or bring such information in part or
29 in whole, the court shall make its determination on the basis of all the evidence introduced. All such

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 evidence shall constitute a public record and shall be available to the parties and the court
2 notwithstanding any provision of ORS 314.835, 314.840 or 314.991.

3 **SECTION 2. The amendments to ORS 305.215 by section 1 of this 2017 Act apply to tax**
4 **years beginning on or after January 1, 2018.**

5 **SECTION 3. This 2017 Act takes effect on the 91st day after the date on which the 2017**
6 **regular session of the Seventy-ninth Legislative Assembly adjourns sine die.**

7
