

**A-Engrossed**  
**Senate Bill 156**

Ordered by the Senate June 5  
Including Senate Amendments dated June 5

Printed pursuant to Senate Interim Rule 213.28 by order of the President of the Senate in conformance with pre-session filing rules, indicating neither advocacy nor opposition on the part of the President (at the request of Senate Interim Committee on Finance and 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.

Requires **corporate taxpayer to separately report amount of Oregon sales of motor vehicle fuel or any other product used for propulsion of motor vehicles on corporate tax return.** **Requires** Department of Revenue, *in consultation with Department of Transportation,* to determine quarterly amount of corporate minimum tax *[revenue]* **paid by taxpayer** attributable to *[Oregon sales of motor vehicle fuel]* **such sales** and to pay amount over to State Treasurer for deposit in State Highway Fund. **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 revenue from Oregon sales of motor vehicle fuel; creating new provisions; amending ORS  
3 314.840, 317.850 and 366.505; and prescribing an effective date.

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

5 **SECTION 1. Section 2 of this 2017 Act is added to and made a part of ORS chapter 317.**

6 **SECTION 2. (1) As used in this section:**

7 (a) **“Motor vehicle fuel or any other product used for the propulsion of motor vehicles”**  
8 **means:**

9 (A) **Motor vehicle fuel as defined in ORS 319.010; and**

10 (B) **Fuel the use of which in a motor vehicle is subject to taxation under ORS 319.530.**

11 (b) **“Motor vehicle fuel or any other product used for the propulsion of motor vehicles”**

12 **does not mean:**

13 (A) **Electricity; or**

14 (B) **Electric batteries or any other mechanical or physical component or accessory of a**  
15 **motor vehicle.**

16 (c) **“Oregon sales” has the meaning given that term in ORS 317.090.**

17 (d) **“Subject sales” means Oregon sales of motor vehicle fuel or any other product used**  
18 **for the propulsion of motor vehicles.**

19 (e) **“Taxpayer” means a corporation or affiliated group of corporations.**

20 (2) **Each taxpayer filing a return under ORS 317.710 that, for any tax year, has subject**  
21 **sales shall separately report the amount of the subject sales on the return.**

22 (3)(a) **This subsection applies to a taxpayer that, for any tax year:**

23 (A) **Reports subject sales under subsection (2) of this section; and**

24 (B) **Is required to pay the minimum tax imposed under ORS 317.090.**

**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       **(b) As soon as practicable after the end of each fiscal quarter, the Department of Re-**  
2 **venue shall:**

3       **(A) Multiply the amount of minimum tax paid by a taxpayer for the tax year by a per-**  
4 **centage equal to the subject sales as reported on the return of the taxpayer under subsection**  
5 **(2) of this section for the tax year divided by all Oregon sales reported on the return; and**

6       **(B) Pay over to the State Treasurer the amount of minimum tax as determined under**  
7 **subparagraph (A) of this paragraph for deposit in the State Highway Fund established under**  
8 **ORS 366.505.**

9       **(4)(a) If a taxpayer's liability for any amount of minimum tax paid over to the State**  
10 **Treasurer under subsection (3)(b)(B) of this section is later changed, because the taxpayer**  
11 **is owed a refund of any portion of the amount of minimum tax paid over or is liable instead**  
12 **for the tax imposed under ORS 317.061, the Department of Revenue shall notify the Depart-**  
13 **ment of Transportation of the amount of the change in liability.**

14       **(b) The Department of Transportation shall transfer the amount stated in the notice**  
15 **under paragraph (a) of this subsection from the State Highway Fund to the General Fund**  
16 **and the transferred amount shall be, as applicable:**

17       **(A) Appropriated to the Department of Revenue for payment of any refund of the mini-**  
18 **imum tax owed to the taxpayer;**

19       **(B) Credited by the Department of Revenue against the taxpayer's liability under ORS**  
20 **317.061; or**

21       **(C) Held in the General Fund as described in ORS 317.850.**

22       **(5) The Department of Revenue may consult with the Department of Transportation for**  
23 **any purpose related to the duties of the Department of Revenue under this section.**

24       **SECTION 3.** ORS 314.840 is amended to read:

25       314.840. (1) The Department of Revenue may:

26       (a) Furnish any taxpayer, representative authorized to represent the taxpayer under ORS 305.230  
27 or person designated by the taxpayer under ORS 305.193, upon request of the taxpayer, represen-  
28 tative or designee, with a copy of the taxpayer's income tax return filed with the department for  
29 any year, or with a copy of any report filed by the taxpayer in connection with the return, or with  
30 any other information the department considers necessary.

31       (b) Publish lists of taxpayers who are entitled to unclaimed tax refunds.

32       (c) Publish statistics so classified as to prevent the identification of income or any particulars  
33 contained in any report or return.

34       (d) Disclose a taxpayer's name, address, telephone number, refund amount, amount due, Social  
35 Security number, employer identification number or other taxpayer identification number to the ex-  
36 tent necessary in connection with collection activities or the processing and mailing of correspond-  
37 ence or of forms for any report or return required in the administration of any local tax under ORS  
38 305.620 or any law imposing a tax upon or measured by net income.

39       (2) The department also may disclose and give access to information described in ORS 314.835  
40 to:

41       (a) The Governor of the State of Oregon or the authorized representative of the Governor with  
42 respect to an individual who is designated as being under consideration for appointment or reap-  
43 pointment to an office or for employment in the office of the Governor. The information disclosed  
44 shall be confined to whether the individual:

45       (A) Has filed returns with respect to the taxes imposed by ORS chapter 316 for those of not

1 more than the three immediately preceding years for which the individual was required to file an  
2 Oregon individual income tax return.

3 (B) Has failed to pay any tax within 30 days from the date of mailing of a deficiency notice or  
4 otherwise respond to a deficiency notice within 30 days of its mailing.

5 (C) Has been assessed any penalty under the Oregon personal income tax laws and the nature  
6 of the penalty.

7 (D) Has been or is under investigation for possible criminal offenses under the Oregon personal  
8 income tax laws. Information disclosed pursuant to this paragraph shall be used only for the purpose  
9 of making the appointment, reappointment or decision to employ or not to employ the individual in  
10 the office of the Governor.

11 (b) An officer or employee of the Oregon Department of Administrative Services duly authorized  
12 or employed to prepare revenue estimates, or a person contracting with the Oregon Department of  
13 Administrative Services to prepare revenue estimates, in the preparation of revenue estimates re-  
14 quired for the Governor's budget under ORS 291.201 to 291.226, or required for submission to the  
15 Emergency Board or the Joint Interim Committee on Ways and Means, or if the Legislative As-  
16 sembly is in session, to the Joint Committee on Ways and Means, and to the Legislative Revenue  
17 Officer or Legislative Fiscal Officer under ORS 291.342, 291.348 and 291.445. The Department of  
18 Revenue shall disclose and give access to the information described in ORS 314.835 for the purposes  
19 of this paragraph only if:

20 (A) The request for information is made in writing, specifies the purposes for which the request  
21 is made and is signed by an authorized representative of the Oregon Department of Administrative  
22 Services. The form for request for information shall be prescribed by the Oregon Department of  
23 Administrative Services and approved by the Director of the Department of Revenue.

24 (B) The officer, employee or person receiving the information does not remove from the premises  
25 of the Department of Revenue any materials that would reveal the identity of a personal or corpo-  
26 rate taxpayer.

27 (c) The Commissioner of Internal Revenue or authorized representative, for tax administration  
28 and compliance purposes only.

29 (d) For tax administration and compliance purposes, the proper officer or authorized represen-  
30 tative of any of the following entities that has or is governed by a provision of law that meets the  
31 requirements of any applicable provision of the Internal Revenue Code as to confidentiality:

32 (A) A state;

33 (B) A city, county or other political subdivision of a state;

34 (C) The District of Columbia; or

35 (D) An association established exclusively to provide services to federal, state or local taxing  
36 authorities.

37 (e) The Multistate Tax Commission or its authorized representatives, for tax administration and  
38 compliance purposes only. The Multistate Tax Commission may make the information available to  
39 the Commissioner of Internal Revenue or the proper officer or authorized representative of any  
40 governmental entity described in and meeting the qualifications of paragraph (d) of this subsection.

41 (f) The Attorney General, assistants and employees in the Department of Justice, or other legal  
42 representative of the State of Oregon, to the extent the department deems disclosure or access  
43 necessary for the performance of the duties of advising or representing the department pursuant to  
44 ORS 180.010 to 180.240 and the tax laws of this state.

45 (g) Employees of the State of Oregon, other than of the Department of Revenue or Department

1 of Justice, to the extent the department deems disclosure or access necessary for such employees  
2 to perform their duties under contracts or agreements between the department and any other de-  
3 partment, agency or subdivision of the State of Oregon, in the department's administration of the  
4 tax laws.

5 (h) Other persons, partnerships, corporations and other legal entities, and their employees, to  
6 the extent the department deems disclosure or access necessary for the performance of such others'  
7 duties under contracts or agreements between the department and such legal entities, in the  
8 department's administration of the tax laws.

9 (i) The Legislative Revenue Officer or authorized representatives upon compliance with ORS  
10 173.850. Such officer or representative shall not remove from the premises of the department any  
11 materials that would reveal the identity of any taxpayer or any other person.

12 (j) The Department of Consumer and Business Services, to the extent the department requires  
13 such information to determine whether it is appropriate to adjust those workers' compensation  
14 benefits the amount of which is based pursuant to ORS chapter 656 on the amount of wages or  
15 earned income received by an individual.

16 (k) Any agency of the State of Oregon, or any person, or any officer or employee of such agency  
17 or person to whom disclosure or access is given by state law and not otherwise referred to in this  
18 section, including but not limited to the Secretary of State as Auditor of Public Accounts under  
19 Article VI, section 2, of the Oregon Constitution; the Department of Human Services pursuant to  
20 ORS 412.094; the Division of Child Support of the Department of Justice and district attorney re-  
21 garding cases for which they are providing support enforcement services under ORS 25.080; the  
22 State Board of Tax Practitioners, pursuant to ORS 673.710; and the Oregon Board of Accountancy,  
23 pursuant to ORS 673.415.

24 (L) The Director of the Department of Consumer and Business Services to determine that a  
25 person complies with ORS chapter 656 and the Director of the Employment Department to determine  
26 that a person complies with ORS chapter 657, the following employer information:

27 (A) Identification numbers.

28 (B) Names and addresses.

29 (C) Inception date as employer.

30 (D) Nature of business.

31 (E) Entity changes.

32 (F) Date of last payroll.

33 (m) The Director of the Oregon Health Authority to determine that a person has the ability to  
34 pay for care that includes services provided by the Oregon State Hospital, or the Oregon Health  
35 Authority to collect any unpaid cost of care as provided by ORS chapter 179.

36 (n) Employees of the Employment Department to the extent the Department of Revenue deems  
37 disclosure or access to information on a combined tax report filed under ORS 316.168 is necessary  
38 to performance of their duties in administering the tax imposed by ORS chapter 657.

39 (o) The State Fire Marshal to assist the State Fire Marshal in carrying out duties, functions and  
40 powers under ORS 453.307 to 453.414, the employer or agent name, address, telephone number and  
41 standard industrial classification, if available.

42 (p) Employees of the Department of State Lands for the purposes of identifying, locating and  
43 publishing lists of taxpayers entitled to unclaimed refunds as required by the provisions of chapter  
44 694, Oregon Laws 1993. The information shall be limited to the taxpayer's name, address and the  
45 refund amount.

1 (q) In addition to the disclosure allowed under ORS 305.225, state or local law enforcement  
2 agencies to assist in the investigation or prosecution of the following criminal activities:

3 (A) Mail theft of a check, in which case the information that may be disclosed shall be limited  
4 to the stolen document, the name, address and taxpayer identification number of the payee, the  
5 amount of the check and the date printed on the check.

6 (B) The counterfeiting, forging or altering of a check submitted by a taxpayer to the Department  
7 of Revenue or issued by the Department of Revenue to a taxpayer, in which case the information  
8 that may be disclosed shall be limited to the counterfeit, forged or altered document, the name, ad-  
9 dress and taxpayer identification number of the payee, the amount of the check, the date printed  
10 on the check and the altered name and address.

11 (r) The United States Postal Inspection Service or a federal law enforcement agency, including  
12 but not limited to the United States Department of Justice, to assist in the investigation of the fol-  
13 lowing criminal activities:

14 (A) Mail theft of a check, in which case the information that may be disclosed shall be limited  
15 to the stolen document, the name, address and taxpayer identification number of the payee, the  
16 amount of the check and the date printed on the check.

17 (B) The counterfeiting, forging or altering of a check submitted by a taxpayer to the Department  
18 of Revenue or issued by the Department of Revenue to a taxpayer, in which case the information  
19 that may be disclosed shall be limited to the counterfeit, forged or altered document, the name, ad-  
20 dress and taxpayer identification number of the payee, the amount of the check, the date printed  
21 on the check and the altered name and address.

22 (s) The United States Financial Management Service, for purposes of facilitating the offsets de-  
23 scribed in ORS 305.612.

24 (t) A municipal corporation of this state for purposes of assisting the municipal corporation in  
25 the administration of a tax of the municipal corporation that is imposed on or measured by income,  
26 wages or net earnings from self-employment. Any disclosure under this paragraph may be made only  
27 pursuant to a written agreement between the Department of Revenue and the municipal corporation  
28 that ensures the confidentiality of the information disclosed.

29 (u) A consumer reporting agency, to the extent necessary to carry out the purposes of ORS  
30 314.843.

31 (v) The Public Employees Retirement Board, to the extent necessary to carry out the purposes  
32 of ORS 238.372 to 238.384, and to any public employer, to the extent necessary to carry out the  
33 purposes of ORS 237.635 (3) and 237.637 (2).

34 **(w) Employees of the Department of Transportation, to the extent necessary to carry out**  
35 **the purposes of section 2 (5) of this 2017 Act.**

36 (3)(a) Each officer or employee of the department and each person described or referred to in  
37 subsection (2)(a), (b), (f) to (L), [or] (n) to (q) **or (w)** of this section to whom disclosure or access to  
38 the tax information is given under subsection (2) of this section or any other provision of state law,  
39 prior to beginning employment or the performance of duties involving such disclosure or access,  
40 shall be advised in writing of the provisions of ORS 314.835 and 314.991, relating to penalties for the  
41 violation of ORS 314.835, and shall as a condition of employment or performance of duties execute  
42 a certificate for the department, in a form prescribed by the department, stating in substance that  
43 the person has read these provisions of law, that the person has had them explained and that the  
44 person is aware of the penalties for the violation of ORS 314.835.

45 (b) The disclosure authorized in subsection (2)(r) of this section shall be made only after a

1 written agreement has been entered into between the Department of Revenue and the person de-  
2 scribed in subsection (2)(r) of this section to whom disclosure or access to the tax information is  
3 given, providing that:

4 (A) Any information described in ORS 314.835 that is received by the person pursuant to sub-  
5 section (2)(r) of this section is confidential information that may not be disclosed, except to the ex-  
6 tent necessary to investigate or prosecute the criminal activities described in subsection (2)(r) of  
7 this section;

8 (B) The information shall be protected as confidential under applicable federal and state laws;  
9 and

10 (C) The United States Postal Inspection Service or the federal law enforcement agency shall  
11 give notice to the Department of Revenue of any request received under the federal Freedom of In-  
12 formation Act, 5 U.S.C. 552, or other federal law relating to the disclosure of information.

13 (4) The Department of Revenue may recover the costs of furnishing the information described  
14 in subsection (2)(L), (m) and (o) to (q) of this section from the respective agencies.

15 **SECTION 4.** ORS 317.850 is amended to read:

16 317.850. **After payments required under section 2 of this 2017 Act and deduction of re-**  
17 **funds,** the net revenue from the tax imposed by this chapter[ *after deduction of refunds,*] shall be  
18 paid over to the State Treasurer and held in the General Fund as miscellaneous receipts available  
19 generally to meet any expense or obligation of the State of Oregon lawfully incurred. A working  
20 balance of unreceipted revenue from the tax imposed by this chapter may be retained for the pay-  
21 ment of refunds, but such working balance [*shall*] **may** not at the close of any fiscal year exceed the  
22 sum of \$500,000.

23 **SECTION 5.** ORS 366.505 is amended to read:

24 366.505. (1) The State Highway Fund shall consist of:

25 (a) All moneys and revenues derived under and by virtue of the sale of bonds, the sale of which  
26 is authorized by law and the proceeds thereof to be dedicated to highway purposes.

27 (b) All moneys and revenues accruing from the licensing of motor vehicles, operators and  
28 chauffeurs.

29 (c) Moneys and revenues derived from any tax levied [*upon gasoline, distillate, liberty fuel or*  
30 *other volatile and inflammable liquid fuels,*] **on, with respect to or measured by the storage,**  
31 **withdrawal, use, sale, distribution, importation or receipt of motor vehicle fuel or any other**  
32 **product used for the propulsion of motor vehicles,** except moneys and revenues described in ORS  
33 184.642 (2)(a) that become part of the Department of Transportation Operating Fund.

34 (d) Moneys and revenues derived from the road usage charges imposed under ORS 319.885.

35 (e) Moneys and revenues derived from or made available by the federal government for road  
36 construction, maintenance or betterment purposes.

37 (f) All moneys and revenues received from all other sources which by law are allocated or ded-  
38 icated for highway purposes.

39 (2) The State Highway Fund shall be deemed and held as a trust fund, separate and distinct from  
40 the General Fund, and may be used only for the purposes authorized by law and is continually ap-  
41 propriated for such purposes.

42 (3) Moneys in the State Highway Fund may be invested as provided in ORS 293.701 to 293.857.  
43 All interest earnings on any of the funds designated in subsection (1) of this section shall be placed  
44 to the credit of the highway fund.

45 **SECTION 6.** **Section 2 of this 2017 Act and the amendments to ORS 314.840, 317.850 and**

1 **366.505 by sections 3 to 5 of this 2017 Act apply to tax years beginning on or after January**  
2 **1, 2018.**

3 **SECTION 7. This 2017 Act takes effect on the 91st day after the date on which the 2017**  
4 **regular session of the Seventy-ninth Legislative Assembly adjourns sine die.**

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