

Revenue

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Revenue Updates

House Revenue held a public hearing on Feb 8 on a Department of Revenue (DOR) bill [HB 3121](#). This bill would allow DoR to hold a company owner or its designated official personally responsible and liable for failing to remit the taxes and fees it has collected from the public, but never remitted to the state. This includes taxes/fees collected by companies that rent heavy equipment (in lieu of property taxes), regional lodging taxes, 911 taxes for the Office of Emergency Management and the petroleum load fee for hazardous waste. These taxes and fees are paid by consumers and customers to pay for needed services provided by local jurisdictions, and the DoR reimburses the local jurisdictions from its tax collections. DoR reports that the current uncollected total is \$900,000 in delinquent taxes.

On Feb 9 two transient lodging tax bills were heard, [HB 2500](#) that increases state transient lodging tax rate and [HB 2521](#) that requires the local tax collector who collects the tax to provide an invoice or receipt for the sum of all taxes charged for lodging occupancy.

There will be a second public hearing on Feb 16 on [SB 137](#), the Cares Act Disconnect bill, because the Feb 3 hearing did not notify supporters of the bill in time prior to the meeting, so we will be providing testimony

next week in support. The House version of the bill, [HB 2839](#) was heard on Feb 11, and we submitted testimony in support of the disconnect bill along with several of our Revenue Coalition partners. Our testimony did not get posted in time, however, but we will provide a link to that testimony once it is posted on our LWV website.

On Feb 11, [SB 464](#) was heard in the Senate Committee On Finance and Revenue, which is similar to Rep Marsh's bill [HB 2431](#) that we reported on last week in the forestry section under Natural Resources, but SB 464 is much broader and without the sideboards provided in HB 2431. This bill would have even greater reductions in property revenue for counties after wildfires because underlying forestland, not just the timber burned on it by fire, as well as even partial damage to structures would get full property tax exclusions. For this reason, the League of Oregon Cities opposed the bill as it could drastically reduce their revenues. Amendments are expected to narrow the bill's application.

This past week on Feb 10, is a corporate transparency bill submitted by the Tax Revenue Coalition, [SB 312](#) would require the Department of Revenue in conjunction with the Secretary of State's office to prepare an annual public report ranking all c-corporations that pay an Oregon excise tax in four categories:

- Oregon sales
- Oregon taxable income
- Total amount of Oregon tax expenditures claimed (tax credits received) and
- Oregon tax liability.

A last minute -1 amendment was posted that most committee members had not had the opportunity to read. We supplied [this testimony](#) in support prior to the meeting. We also provided oral testimony that day that expanded on our previous testimony based on the recommendations of Secretary of State's 2016 audit report on Business Oregon, the state's economic development agency. It called for greater

transparency and disclosure of corporate tax information to enable taxpayers and legislators to better evaluate Oregon's corporate tax credits. The specific Oregon tax disclosures required would provide lawmakers with the basic information they need to compare tax subsidies in relationship to corporate tax liabilities in order to assess these credits, without jeopardizing an individual company's privacy or interfering with its competitiveness. We supplied a written copy of that more complete oral testimony that the Chair of Senate Revenue announced we could post up to Feb 22. Unfortunately, the new submittal form does not allow for posting beyond the 24-hour window after the hearing. We have reported the issue and hope to get some resolution to the problem going forward. We will post that oral testimony later.