

The Office of the Taxpayer Advocate Procedure Manual

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1. The Office of the Taxpayer Advocate Creation

1.1 The Office of the Taxpayer Advocate was established in the Department of Revenue (DOR) by House Bill 3373 in 2021 and made a part of ORS Chapter 305.

1.2 The Taxpayer Advocate is appointed by the Director of the DOR. The Taxpayer Advocate reports directly to the Director.

2. Philosophy of Advocacy

2.1 **The Office of the Taxpayer Advocate Mission Statement:** The Office of the Taxpayer Advocate operates independently within the scope of its authority within the Department of Revenue. We help taxpayers resolve tax-related problems and recommend changes to DOR policy and procedure that will help prevent these issues.

The Office of the Taxpayer Advocate's Vision: We encourage resolution of all taxpayer issues at the point of first contact. We are committed to encouraging the Department of Revenue mission: Together, we collect the revenue that Oregon counts on.

The Office of the Taxpayer Advocate fulfills its mission of resolving and preventing taxpayer issues through case-related advocacy and systemic advocacy. The Office of the Taxpayer Advocate may handle cases in which a taxpayer is suffering or about to suffer a significant hardship where the DOR has the legal authority to help prevent the hardship. The Office of the Taxpayer Advocate also handles cases in which the taxpayer is trying to solve an Oregon tax problem with the DOR and would benefit from the Office of the Taxpayer Advocate's involvement, even if the taxpayer is not suffering a hardship.

2.2 As part of the Department of Revenue, the Office of the Taxpayer Advocate has the responsibility to help those taxpayers who have unresolved issues or problems with personal income taxes, business taxes, excise taxes, and property taxes. The Office of the Taxpayer Advocate advocates for:

2.2.1 Each taxpayer who meets the criteria listed in Section 6 by working with the divisions of the DOR through the Process Assistance Request (PAR) process (Section 8) and the Taxpayer Assistance Order (TAO) process (Section 14).

2.2.2 All taxpayers by making recommendations to the Director of the DOR and the revenue committees of the Legislative Assembly regarding changes to procedures or laws that increase taxpayer burden or have unintentional harmful effects on taxpayers. These may include recommendations to change administrative processes or recommendations to create or amend Oregon statutes.

2.3 The key characteristics of the Office of the Taxpayer Advocate are independence, impartiality, and confidentiality. Advocacy is not just about recommending legislative and procedural changes; it is also about applying advocacy attributes to each taxpayer's case. In each case, the

Office of the Taxpayer Advocate conducts an independent and impartial analysis of all information relevant to the taxpayer's problem. Taxpayer Case Advocates are professionals who are able to:

- (a) Listen to the taxpayer's position;
- (b) Investigate;
- (c) Evaluate;
- (d) Advocate for changes supported by procedure or law;
- (e) Request the Department of Revenue to take a second look; and
- (f) Educate the taxpayer about options that exist through the normal channels.

A Case Advocate's goal is to provide quality service to the taxpayer and to elevate issues to the appropriate senior staff at the Department of Revenue when necessary and appropriate.

2.4 The Office of the Taxpayer Advocate must abide by the laws and regulations of the State of Oregon and the Department of Revenue administrative policies and rules. However, if the Office of the Taxpayer Advocate cannot provide an adequate remedy for taxpayers because of deficiencies in administrative procedures or barriers imposed by Oregon state tax law or policy, the Office of the Taxpayer Advocate may propose administrative solutions and/or legislative changes as appropriate.

- 2.5 To support its mission, the Office of the Taxpayer Advocate expects its Case Advocates to:
- (a) Advocate on behalf of individual and business taxpayers in disputes with the Department of Revenue after making an impartial assessment of the taxpayer's situation;
 - (b) Quickly and accurately address taxpayer problems when there is a lack of Department of Revenue systems, policies or procedures;
 - (c) Operate independently within the scope of its authority while continuing to work toward the Department of Revenue's mission;
 - (d) Continuously drive procedural and systemic change to address unfair or inequitable treatment of taxpayers;
 - (e) Effectively communicate with and educate stakeholders and taxpayers to ensure awareness of the Office of the Taxpayer Advocate; and
 - (f) Solicit feedback from taxpayers and key stakeholders about Department of Revenue problems.

3. Organizational Structure

- 3.1 The Office of the Taxpayer Advocate shall be managed by the Taxpayer Advocate, as appointed by the Director of the Department of Revenue.
- 3.2 The Office of the Taxpayer Advocate shall have a Research Analyst 4.
- 3.3 The Office of the Taxpayer Advocate shall have a Public Service Representative 4.

4. Delegation of Authority

- 4.1 The Office of the Taxpayer Advocate shall assist taxpayers in obtaining easily understandable information regarding taxes and departmental policies and procedures, answering tax preparation and filing questions, and locating documents filed or payments made by them to the department.

4.2 The Office of the Taxpayer Advocate is responsible for receiving and evaluating taxpayer complaints of inappropriate behavior by employees of the Department of Revenue, identifying policies and practices of the department that might be barriers to the equitable treatment of taxpayers, and providing recommendations and solutions to the Director of the Department of Revenue for corrective actions.

4.3 The Office of the Taxpayer Advocate shall provide expeditious service to taxpayers whose problems are not resolved through ordinary channels.

4.4 The Office of the Taxpayer Advocate has a responsibility to collaborate with DOR personnel to attempt to resolve the most complex and sensitive taxpayer problems and to try to resolve systemic problems experienced by taxpayers.

4.5 Not later than February 15 of each odd-numbered year, the Office of the Taxpayer Advocate will prepare a report for the revenue committees of the Legislative Assembly regarding the operation of the office. The report will capture the following information for the immediately preceding two calendar years:

- (a) The number and nature of inquiries received by the Office of the Taxpayer Advocate;
- (b) The number and description of taxpayer complaints received by the office;
- (c) Actions taken to resolve complaints made to the office;
- (d) Evaluations by taxpayers of the quality of service provided by the DOR;
- (e) Operational issues or barriers that office staff perceive as preventing equitable and fair collection of taxes;
- (f) Recommendations to policymakers on administrative efficiencies related to Oregon tax law; and
- (g) Recommendations to policymakers on the effectiveness of the Taxpayer Advocate program in removing obstacles to taxpayer compliance with the tax system.

4.6 The Director of the Department of Revenue may prescribe other functions related to taxpayer assistance to the Office of the Taxpayer Advocate.

5. The Office of the Taxpayer Advocate Confidentiality Rules

5.1 The Office of Taxpayer Advocate employees function as persons to whom taxpayers may come with complaints and questions and who try to help resolve disputes between taxpayers and DOR without litigation.

5.2 The Office of the Taxpayer Advocate has modeled its confidentiality policies after the IRS Taxpayer Advocate policies and the policies and procedures developed and published by the Federal Alternative Dispute Resolution (ADR) Steering Committee and the American Bar Association. Confidentiality is a key element of ADR and plays a key role in bringing parties in dispute to a resolution.

5.3 The Office of the Taxpayer Advocate's exercise of discretion not to disclose information received from a taxpayer to other Department of Revenue employees serves the following purposes:

- (a) To strengthen taxpayer confidence in the Office of the Taxpayer Advocate's independence and neutrality;
- (b) To encourage taxpayers to trust and seek help from the Office of the Taxpayer Advocate without fear of retaliation by other Department of Revenue employees;
- (c) To encourage taxpayers to freely communicate with the Office of the Taxpayer Advocate to resolve their problems; and
- (d) To calm taxpayers' fears that information provided to the Office of the Taxpayer Advocate will be used to the taxpayers' detriment.

5.4 If the Office of the Taxpayer Advocate discloses information it receives to an employee of the Department of Revenue outside of the Office of the Taxpayer Advocate, disclosure will be made only to assist with the investigation of the case and in its case advocacy. Employees to whom information is disclosed may share such information with other Department of Revenue employees only if such sharing is necessary to assist the Office of the Taxpayer Advocate.

5.5 For the reasons outlined in Section 5.3, the Office of the Taxpayer Advocate's policy generally favors nondisclosure except standard disclosures, emergency disclosures, or disclosures necessary to prevent serious bodily harm or harm to public safety. Under these guiding principles, disclosure will generally be limited to the disclosures described below.

5.5.1 Standard disclosures involve disclosure of only the information necessary for the Office of the Taxpayer Advocate employees to obtain the appropriate relief for a taxpayer.

5.5.2 Emergency disclosures require the approval of the Taxpayer Advocate. An emergency disclosure is one that goes beyond the information that is needed to obtain relief for the taxpayer but which due to the immediacy of the request for assistance supports disclosure.

5.5.3 Disclosures to prevent serious bodily harm or harm to public safety require approval of the Taxpayer Advocate.

5.5.4 If the Office of the Taxpayer Advocate has identified a systemic problem with a Department of Revenue process and needs to provide specific case examples to a DOR unit to assist in solving the problem, the Taxpayer Advocate may approve disclosure of taxpayer-provided information to the DOR unit after weighing the potential benefits of disclosure to the DOR against the importance of protecting the Office of the Taxpayer Advocate's independence and maintaining the confidence of taxpayers in future cases.

5.6 The Taxpayer Advocate and employees of the Office of the Taxpayer Advocate are also bound by rules of nondisclosure that apply to all Department of Revenue employees.

6. The Office of the Taxpayer Advocate Case Criteria

6.1 While the Department of Revenue is continually working to serve customers in a quality manner, some taxpayers may still have difficulty getting solutions to their problems or getting timely

and appropriate responses to their inquiries. The Office of the Taxpayer Advocate has identified criteria regarding these situations that qualify taxpayers for assistance from a Case Advocate. This assistance includes but is not limited to an independent review of actions that have been taken or need to be taken to try to resolve the problems the taxpayer is experiencing.

6.2 The Office of the Taxpayer Advocate criteria should not be viewed as a means of excluding taxpayers from help by Case Advocates, but rather as a guide to case acceptance. The criteria under which the Office of the Taxpayer Advocate accepts a case may be different from the criteria ultimately used to determine the outcome of an investigation.

6.3 A taxpayer may request and receive assistance from the Office of the Taxpayer Advocate if they can show they meet any one of the following sets of criteria.

6.3.1 The taxpayer has made a reasonable attempt to solve their problem with Department of Revenue staff. The problem has not been resolved, or a timely response has not been made. The taxpayer can also show that the Department of Revenue's policies or processes are being applied unfairly or incorrectly.

6.3.2 The taxpayer faces a threat of immediate harmful action (e.g., seizure of funds or property) by the Department of Revenue for a debt the person believes they can show is not owed.

6.3.3 The taxpayer faces a threat of immediate harmful action (e.g., seizure of funds or property) by the Department of Revenue for a debt the person believes they can show is incorrect, unfair, or illegal.

6.3.4 The taxpayer believes they can show that they will suffer an injury that is beyond repair or a long-term harmful impact if relief is not granted.

6.3.5 The taxpayer believes they can show that the problem also affects other similar taxpayers and is a problem with the Department of Revenue systems or processes.

6.3.6 The person believes they can show that the rare facts and extenuating circumstances in their case justify help from the Office of the Taxpayer Advocate.

6.3.7 The person believes they can show that there is a compelling public policy reason why they should get help from the Office of the Taxpayer Advocate.

6.4 The Office of the Taxpayer Advocate will not assist a taxpayer if they meet any one of the following criteria.

6.4.1 The taxpayer has not used all reasonable efforts to obtain timely relief through normal Department of Revenue channels.

6.4.2 The taxpayer is asking for legal advice.

6.4.3 The taxpayer is planning to file or has filed an appeal to the Oregon Tax Court or the Oregon Supreme Court.

6.4.4 The Taxpayer Advocate determines that the taxpayer's claim involves only frivolous arguments or strategies intended to avoid or delay filing or paying Oregon taxes.

7. The Office of the Taxpayer Advocate Case Procedures

7.1. Receipt of Taxpayer Inquiries and Complaints

7.1.1 The Office of the Taxpayer Advocate will receive inquiries and complaints from the following sources:

- (a) Phone calls to the Office of the Taxpayer Advocate;
- (b) Submissions through the Department of Revenue website and the Taxpayer Advocate webpage directing a person who wants to make an inquiry to fill out and submit a form;
- (c) Submissions through the Office of the Taxpayer Advocate email address;
- (d) Mail (non-electronic); and
- (e) Persons who visit the physical location of the Office of the Taxpayer Advocate.

7.1.2 If the inquiry is the result of a referral from a public official, the case shall be marked and tracked as a constituent case in the Case Management System. The Taxpayer Advocate will stay apprised of the case status and work with appropriate channels to ensure the necessary parties remain informed.

7.1.3 Upon receipt of an inquiry or complaint, an employee of the Office of the Taxpayer Advocate designated by the Taxpayer Advocate will enter the information into the Office of the Taxpayer Advocate Case Management System. That employee, in consultation with the Taxpayer Advocate, will determine which other employee in the Office of the Taxpayer Advocate will be assigned to respond to the person submitting the inquiry or complaint.

7.2. Contacts Not Meeting the Office of the Taxpayer Advocate Criteria

7.2.1. If the Office of the Taxpayer Advocate determines that an inquiry or complaint does not meet its criteria, the person submitting the inquiry or complaint will be notified.

7.2.2. First, an attempt to make a phone call to the person will be made.

7.2.3. Second, an email or written letter will be sent to the person submitting the request (if a mailing address has been provided or obtained) explaining that the inquiry or complaint does not meet the criteria and that the Office of the Taxpayer Advocate will not be assisting.

7.3. Determination Whether the Contact is an Inquiry or Complaint

7.3.1 Upon receipt of a submission, a determination will be made as to whether the contact is an inquiry or a complaint.

7.3.2 An inquiry is a request for information (such as the part of the Department of Revenue to contact, what form to use, how to find information on the Department of Revenue website, etc.) to assist the inquirer in obtaining an answer, complying with a filing obligation, or obtaining information that is publicly available from the Department of Revenue.

7.3.3 A complaint is a request for assistance in resolving a problem that meets one of the criteria of the Office of the Taxpayer Advocate.

7.4 Initial Inquiry Receipt Assignment and Actions

7.4.1 Upon receipt of a submission that is determined to be an inquiry, the Office of the Taxpayer Advocate will call or email the person making the inquiry.

7.4.2 The Office of the Taxpayer Advocate will document the contact made to the inquirer in its Case Management System.

7.4.3 The Office of the Taxpayer Advocate will provide the inquirer a time frame for responding further, if necessary. Any agreed upon response time will be documented in the Office of the Taxpayer Advocate Case Management System.

7.5 Upon receipt of a submission that is determined to be a complaint, the Office of the Taxpayer Advocate will call or email the person making the complaint advising them of the next steps.

7.6 The Office of the Taxpayer Advocate 5 Day Resolution Matters

7.6.1 If the Office of the Taxpayer Advocate determines that a complaint can be resolved within 5 business days, at the discretion of the Taxpayer Advocate such complaint will not be opened as a case. Rather, it will be recorded as an inquiry.

7.6.2 If the time for resolution is likely greater than 5 business days, then the Office of the Taxpayer Advocate will designate it as a case.

7.7 Input of Complaints into the Office of the Taxpayer Advocate Case Management System.

7.7.1 The Office of the Taxpayer Advocate Case Management System will capture the following information for every inquiry:

- (a) Name of staff entering the information;
- (b) Name of inquirer (may be 'unknown' if call is brief or caller declines to provide);
- (c) Name of taxpayer (may be different from inquirer);
- (d) Relationship to taxpayer (if not the taxpayer);
- (e) Phone number;
- (f) Email address;
- (g) Preferred method of follow-up communication;
- (h) Date of inquiry;

- (i) Tax account ID number (may be optional);
- (j) Brief description of the call which identifies the nature of the matter;
- (k) Related tax unit (if applicable);
- (l) Brief description of how the matter was resolved or why it was not resolved (may include becoming an open case); and
- (m) Date the matter was closed (if not an open case).

7.7.2 In addition to the information outlined in Section 7.7.1(a)-(k), the Office of the Taxpayer Advocate Case Management System will capture the following information for every complaint designated as a case:

- (a) Brief description of how the case was resolved; and
- (b) Date the case was closed.

7.8 Working an Office of the Taxpayer Advocate Case

7.8.1 Upon receipt of a submission to the Office of the Taxpayer Advocate, the designated employee will record all pertinent information into the Case Management System.

7.8.2 The Case Advocate or other employee of the Office of the Taxpayer Advocate who has been assigned to respond will call the person making the inquiry or complaint within 5 business days of receipt unless the inquiry or complaint indicates a hardship due to proposed or actual seizure of assets or funds by the Department of Revenue. In that case, the employee assigned to respond will call the person within 3 business days.

7.8.3 If these deadlines cannot be met, the Case Advocate or assigned employee will inform the Taxpayer Advocate and make a notation in the Case Management System.

7.8.4 The Case Advocate or employee of the Office of the Taxpayer Advocate will determine which of the Case Criteria (Section 6) apply to a complaint. More than one criterion may apply. The criteria will be noted in the Case Management System file.

7.8.5 The Case Advocate or other employee of the Office of the Taxpayer Advocate will create a case file for the complaint/case. All pertinent documents will be filed in these files. These files will be retained in accordance with the Department of Revenue records retention rules.

7.8.6 Case Investigation and Research.

7.8.6.1 The Case Advocate or other employee assigned to a case will investigate the facts of the case. This will include, but not be limited to, obtaining documents, emails, correspondence, and other evidence from the person making the complaint or the taxpayer, reviewing internal Department of Revenue databases, and obtaining documents from other Oregon agencies that may be connected to the case.

7.8.6.2 The Case Advocate or other employee assigned to a case will conduct research, which may include policy and procedure research, to assist in developing a theory of the case.

7.8.6.3 Such actions will be recorded in a case plan for the case.

7.8.7 Taking Actions to Resolve Case Issues

7.8.7.1 The Case Advocate or other employee assigned to a case may contact other parts of the Department of Revenue to obtain information.

7.8.7.2 If the Case Advocate or other employee assigned to a case determines that a Process Assistance Request (PAR) is needed, they will review a draft PAR with the Taxpayer Advocate and obtain the approval of the Taxpayer Advocate before issuing the PAR. The PAR will be sent to one or more of the Office of the Taxpayer Advocate Liaisons.

7.8.8 Case Closure Procedures

7.8.8.1 The Case Advocate or other employee assigned to the case will prepare the file for closing. This includes assuring all fields are complete and up to date in the Case Management System.

7.8.8.2 The Case Advocate or other employee assigned to the case will close the Case Management case file for the case.

7.8.8.3 The Case Advocate or other employee assigned to the case will send an electronic link to the Taxpayer Advocate Customer Survey form through an email to the customer, if a customer email was provided.

8. Process Assistance Request (PAR) Overview and Preparation

8.1 A Process Assistance Request (PAR) is used by the Office of the Taxpayer Advocate to request assistance from a Department of Revenue unit to complete an action on an Office of the Taxpayer Advocate case when the Taxpayer Advocate does not have the authority to take the required actions. The PAR provides a written trail of requests to a unit and its responses to PAR. The Office of the Taxpayer Advocate will track the responses in its Case Management System. For guidance as to when to issue a Taxpayer Assistance Order (TAO) in lieu of a PAR, see Section 14.

8.2 The PAR is a critical tool for obtaining relief and appropriate resolution on behalf of a taxpayer. Presenting a detailed, well-developed PAR supported by facts, research, and necessary documentation aids the unit in understanding the Office of the Taxpayer Advocate's position and effectively communicates a compelling argument justifying the requested actions. When preparing PARs, the Office of the Taxpayer Advocate employees should answer the following questions:

- a) What does the unit or function need to know about the taxpayer's issue in order to provide relief?

- b) What facts and supporting documentation can the Office of the Taxpayer Advocate provide to support the actions necessary for relief?
- c) How can I best present the facts so that the Department of Revenue unit will clearly understand the Office of the Taxpayer Advocate's position?

Depending on the complexity of the issue and the processes involved, some PARs will require more detail, supporting facts, and documentation than others.

8.3 Preparing a Process Assistance Request

8.3.1 The Case Advocate will conduct all appropriate research and identify the issues based on case analysis. This may include reading notes in GenTax.

8.3.2 The Case Advocate will request all pertinent internal and external documents (i.e., copies of tax returns, Department of Revenue work papers, Department of Revenue internal notes or other documents, taxpayer correspondence, emails or other documents, etc.).

8.3.3 The Case Advocate may contact the OTA Liaison (see 10.0 below) as part of the investigation by email or phone as part of the investigation of the case. Such contact will not require a PAR to be submitted.

8.3.4 Once the Case Advocate has completed the investigation and has determined that action by another unit is needed to assist the taxpayer in a case, the Case Advocate will draft a request that the Department of Revenue unit take or refrain from a particular action and, where appropriate, will outline the account adjustments needed to implement the Case Advocate's request.

8.3.5 The Case Advocate will give the Taxpayer Advocate a fully developed PAR for review. The PAR will not be sent until the Taxpayer Advocate has reviewed and approved it.

8.3.6 A fully developed PAR must include:

- a) Specific actions the Office of the Taxpayer Advocate is asking the Department of Revenue unit to take or consider;
- b) Reason(s) supporting the Office of the Taxpayer Advocate request;
- c) Description of documentation attached to the PAR and how it supports the recommendation; and
- d) Citations of applicable law or procedure where warranted. If necessary, legal advice from the Department of Justice may be attached.

9. Department of Revenue Unit Liaisons

9.1 The directors of each tax program will designate a Liaison to receive PARs from the Office of the Taxpayer Advocate (referred to as "OTA Liaisons").

9.2 The purpose of the OTA Liaison is to assist the Office of the Taxpayer Advocate by bringing the requested action to the attention of the appropriate manager, communicating whether the

manager approves the requested action, and if so, determining the employee within the unit or division that is needed to take the action.

9.3 If the OTA Liaison is informed by the unit or division manager that the requested action cannot or will not be taken, the OTA Liaison must inform the Office of the Taxpayer Advocate employee promptly along with an explanation as to why the action is refused. The Office of the Taxpayer Advocate may revise the PAR or may proceed with the issuance of a Taxpayer Assistance Order.

10. Responsibilities of the OTA Liaison in a Process Assistance Request (PAR)

10.1 The OTA Liaison will respond by email within 2 business days upon receipt of a PAR. The PAR will be submitted by email. The purpose of this response is to inform the Office of the Taxpayer Advocate Case Advocate that the PAR has been received.

10.2 Within 3 business days, the OTA Liaison will review the PAR and discuss with the Case Advocate the recommended action plan, substantive case issues, and proposed follow up and completion dates. This can be done by email or phone. The OTA Liaison must confirm a response date. If additional time is needed to respond, the OTA Liaison must contact the Case Advocate within 3 business days of the last negotiated response date to request a change. The Case Advocate will try to be flexible in setting and negotiating response times but has a duty to the taxpayer to try to resolve all cases as quickly as possible.

10.3 The OTA Liaison is responsible for addressing all aspects of the PAR's request. Upon completing all the actions requested on the PAR, the OTA Liaison assigned the PAR will complete the OTA Response section on the PAR form and return it to the Case Advocate assigned to the case. This will provide necessary information for accurate reporting and tracking the progress of the case. This must be returned within 3 business days from the date all actions have been completed.

10.4 While the Case Advocate will be responsible for keeping the taxpayer or practitioner informed of the progress of their case, this does not prohibit the Department of Revenue unit employee or OTA Liaison assigned the PAR from making necessary contacts with the taxpayer or practitioner. The DOR employee or OTA Liaison, however, should inform the Case Advocate of contacts made with the taxpayer or practitioner.

10.5 The OTA Liaison assigned to the PAR will discuss their findings and recommendations on the final disposition of the PAR with the Case Advocate. If actions requested on the PAR cannot be completed by the requested completion date, or by any negotiated extension date, the OTA Liaison will elevate the matter through the management chain.

10.6 If the OTA Liaison or the Department of Revenue unit employee determines that additional research or documentation is required on a PAR, the OTA Liaison assigned to the PAR will contact the Case Advocate within 3 business days of the determination to obtain the information and to establish, by mutual agreement, a negotiated completion date. The OTA Liaison is responsible for

contacting the Office of the Taxpayer Advocate employee before the original deadline to request an extension of time to respond.

10.7 The Case Advocate may find themselves in a situation where they are unable to advocate for the taxpayer because the law prevents the relief requested by the taxpayer based on the facts presented. In other cases, the Case Advocate may have made numerous requests to the taxpayer or practitioner for documentation and the documentation has not been provided, or the documentation provided does not enable the Case Advocate to reach a conclusion that the taxpayer is entitled to any relief.

10.8 If the Case Advocate and the OTA Liaison or the Department of Revenue unit employee assigned to the PAR cannot agree upon the resolution to the taxpayer's problem, the Case Advocate and the OTA Liaison employee will elevate this disagreement to their respective managers. The Case Advocate is responsible for communicating the final decision on the PAR to the taxpayer, which must include a closing summary of action(s). If the OTA Liaison believes that the Office of the Taxpayer Advocate has the authority to take the action(s) requested on the PAR, the OTA Liaison will discuss their recommendation before returning the PAR to the Office of the Taxpayer Advocate Case Advocate. If the OTA Liaison and the Office of the Taxpayer Advocate cannot agree, then the disagreement will be elevated to their respective managers.

11. Responsibilities of the Case Advocate in a Process Assistance Request (PAR)

11.1 Upon notification that the OTA Liaison has received the PAR, the Office of the Taxpayer Advocate Case Advocate will update the Case Management System. The Case Advocate will input the negotiated completion date, the assigned employee's contact information and the assigned employee's manager's contact information.

11.2 If the Case Advocate has not received a response or the completed PAR by the requested or negotiated completion date, the Case Advocate will follow up with the OTA Liaison within 5 business days to determine the status of the PAR and document in the Case Management System accordingly.

11.3 The Case Advocate is responsible for keeping the taxpayer or practitioner informed of the status of the case, including any delays, changes to the estimated completion date, and a next completion date. This does not prohibit the OTA Liaison, or the Department of Revenue unit employee assigned to the PAR from making necessary contacts with the taxpayer or practitioner, but the OTA Liaison or Department of Revenue unit employee should notify the that such contact has been made.

11.4 If there are problems with the timeliness or completion of the PAR, the Case Advocate will elevate the problem to the Taxpayer Advocate.

11.5 The Case Advocate must monitor each PAR until all actions are completed. Any related issues must be addressed (if applicable) and the taxpayer must be notified of all actions taken prior to closing the case.

11.6 A PAR is considered closed only when the completed PAR Form is received from the OTA Liaison. The OTA Liaison must return all PAR Forms whether completed or rejected. If a PAR is not returned timely, the Office of the Taxpayer Advocate Case Advocate must make one contact to the OTA Liaison and give a date to return the PAR. Notation of such must be made by the Case Advocate on the Office of the Taxpayer Advocate Case Management System.

11.7 Upon receipt of an email from an OTA Liaison indicating that the requested action is refused or upon receipt of the completed PAR Form, the Office of the Taxpayer Advocate Case Advocate must update the OTA Case Management System and include the following information:

- (a) The actions taken or date the action requested was refused;
- (b) The date any actions were completed by the Department of Revenue unit;
- (c) The date the PAR Form was returned, if applicable;
- (d) Whether all recommended actions were completed by the Department of Revenue unit; and
- (e) If the PAR was rejected, the reason the PAR was rejected or returned.

11.8 The Office of the Taxpayer Advocate Case Advocate must be alert to issues that are causing unnecessary delays and harming the taxpayer during the PAR process and elevate it to the Taxpayer Advocate and consider issuing a Taxpayer Assistance Order (TAO).

12. Expediting a Process Assistance Request (PAR)

12.1 The facts and circumstances particular to a taxpayer's case may necessitate that the case be worked more quickly than normal case processing time. The Case Advocate responsible for the case will determine if a PAR is needed and whether it should receive expedited processing.

12.2 The Office of the Taxpayer Advocate will generally request expedited processing of a PAR in a case where the failure to take the specific action requested will cause the taxpayer economic harm or burden, extended delays have occurred, repeated Department of Revenue failures to resolve the problem have taken place, or when time frames or statutory requirements necessitate that case issues be worked sooner. In all other cases, the Case Advocate will submit a PAR Form, if required, at the earliest possible date.

12.3 No PAR will automatically receive expedited processing. Requests for expedited processing of a PAR will be made to the Taxpayer Advocate on a case-by-case basis and will be based on the facts and circumstances of the taxpayer's case.

12.4 If the Taxpayer Advocate approves expedited processing, it will be noted in the Office of the Taxpayer Advocate Case Management System. The PAR Form will be submitted within one workday of the determination when expedited processing is required.

13. Process Assistance Requests (PARs) Action Not Taken

13.1 If agreement cannot be reached by the manager of a department unit and the Taxpayer Advocate, the Taxpayer Advocate may refer the PAR to the Department of Justice (DOJ).

13.2 The DOJ may be asked to provide a written recommendation as to the PAR and the Taxpayer Advocate will forward the PAR and any DOJ Recommendation to the Director of the Department of Revenue.

13.3 The Director of the Department of Revenue may approve or reject the action requested in the PAR by the Office of the Taxpayer Advocate.

13.4 The decision of the Director of the Department of Revenue must be entered into the Case Management System within 3 workdays of this action.

14. Taxpayer Assistance Orders (TAOs)

14.1 The Taxpayer Advocate is authorized to issue a Taxpayer Assistance Order (TAO) to cease any action, take any action or refrain from taking any action with respect to a taxpayer, as allowed by law, if the Taxpayer Advocate determines that a taxpayer is suffering or about to suffer a significant hardship as a result of the manner in which the state's tax laws are being administered by the Department of Revenue.

14.2 The Taxpayer Advocate may issue an order under this section only as an extraordinary remedy in circumstances where the Taxpayer Advocate determines that the DOR is not following applicable administrative rules or guidance related to department policies or procedures and to offer relief from significant hardship.

14.3 If action requested through a PAR is declined, a TAO will be considered when all the following factors are present:

- (a) The proposed action has been requested through a PAR;
- (b) The unit to which the PAR was submitted has declined to take the requested action and the manager of that unit has reviewed and agreed to decline to take the requested action; and
- (c) The Taxpayer Advocate has the legal authority to grant the relief.

14.4 A TAO will be considered when the taxpayer may face a significant hardship and the Department of Revenue has the authority to act.

14.4.1 A taxpayer will be considered to face a significant hardship when one or more of the following factors are present:

- (a) An adverse action against a taxpayer by the Department of Revenue is imminent;
- (b) The department has failed to act to resolve a reported problem with the account of a taxpayer within 90 days; or
- (c) Other conditions exist as described by the department by rule.

14.4.2 An order issued under this section is limited to providing relief related to department policies or procedures and may not address the merits of a taxpayer's tax liability or substitute for informal conference procedures or normal administrative or judicial

proceedings for the review of a tax assessment, refund denial, collection action or other department action.

14.4.3 If legal authority does not exist for requesting relief for significant hardship in a case, the Office of the Taxpayer Advocate may not issue a TAO.

14.5 When a Case Advocate encounters a situation where a TAO may be necessary, the Case Advocate must immediately elevate the case to the Taxpayer Advocate. The Case Advocate must ensure that the Case Management System and related case file are well documented for review. The Case Advocate will prepare a briefing document that includes the following:

- (a) The subject of the dispute;
- (b) A chronological timeline of actions taken by the Department of Revenue and OTA;
- (c) The name, position, phone number and email address of the DOR unit employee who disagrees or refuses to take the requested action; and
- (d) The Department of Revenue unit basis for denying the requested action.

14.6 The Taxpayer Advocate will prepare a pre-decisional TAO memorandum providing the facts and analysis for the proposed action.

14.7 The TAO may be referred to the DOJ for review.

14.8 The DOJ may prepare a written response and indicate if General Counsel supports, opposes, or proposes changes to the TAO action. Such written response will be submitted to the Taxpayer Advocate.

14.9 The Taxpayer Advocate will submit a pre-decision Taxpayer Assistance Order Memorandum, revised if necessary to respond to DOJ's response, to the Director of the Department of Revenue.

14.10 Any order issued by the Taxpayer Advocate under this section may be reviewed by the Director or Deputy Director of the Department of Revenue and may be modified or rescinded only by the Taxpayer Advocate, the Director, or the Deputy Director. A written explanation of the reasons for any modification or rescission of an order by the Director or Deputy Director shall be provided to the Taxpayer Advocate.

14.11 An appeal may not be taken from an order issued by the Taxpayer Advocate under this section or from any modification or rescission of an order by the Director or Deputy Director.

14.12 The Taxpayer Advocate will be responsible to communicate to a taxpayer on whose behalf a TAO was submitted the decision of the Director of the Department of Revenue.

14.13 The Taxpayer Advocate will be responsible for working with the Department of Revenue units to take action that the Director or Deputy Director of the DOR approves in a Taxpayer Assistance Order.

14.14 All orders issued under this section, along with any related taxpayer information, are considered particulars of a return, and may not be disclosed by the department, except as otherwise provided by other applicable law.

15. Systemic Advocacy

15.1 One of the important functions of the Office of the Taxpayer Advocate is to identify systemic problems and advocate for fixes. This section provides information about the systemic advocacy process.

15.2 Systemic Advocacy includes the following:

- (a) Reviewing Department of Revenue documents for compliance with Taxpayer Bill of Rights and evaluating the burden on taxpayers, including but not limited to department notices, forms, publications, and web content.
- (b) Identifying systemic problems through Case Advocacy.
- (c) Partnering with community partners (including practitioners, legal advocacy groups, or other organizations) to solicit input on systemic problems.

15.3 The Taxpayer Advocate will advocate for remedies to systemic problems which may include:

- (a) Immediate interventions
- (b) Administrative changes
- (c) Published guidance
- (d) Legislative changes
- (e) Advocacy proposals

15.4 Administrative change projects identify and address systemic and procedural issues, analyze underlying causes of problems, and recommend corrective actions. Advocacy projects of this type are appropriate when solutions to the issues raised require further research, process analysis, collection and interpretation of data, or coordination with other units within the Department of Revenue, and when the Department of Revenue can administratively implement any necessary changes by amending current policies or procedures.

15.5 Published guidance may be warranted when existing regulations or web content is needed, existing guidance is not published, or new guidance is needed to improve equity and fairness and reduce burden for taxpayers.

15.6 Legislative proposals by the Department of Revenue may be warranted when existing law must be modified or a new law enacted to improve equity and fairness in the Oregon State tax laws, to improve taxpayer service, or to reduce taxpayer burden.

15.6.1 The Office of the Taxpayer Advocate will work with and be consulted by the agency legislative coordinator concerning legislative proposals that the Department of Revenue may be proposing or is asked to comment on.

15.6.2 If the Office of the Taxpayer Advocate does not agree with a legislative proposal that the Department of Revenue submits or a position that the Department of Revenue

takes with respect to proposed legislation, the Taxpayer Advocate may submit independent comments or recommendations to the Director.

15.7 Advocacy Proposals are used when the Office of the Taxpayer Advocate seeks to have process owners within the Department of Revenue consider a project proposal or suggestion to change procedures, policies, or activities. The Office of the Taxpayer Advocate will draft a memorandum, attach documentation and an executive summary, and ask the unit that operates the process to respond in writing.

16. Customer Complaint Procedures

16.1 If a customer makes a complaint to the Office of the Taxpayer Advocate about inappropriate behavior by a Department of Revenue employee, the information regarding inappropriate behavior should be brought by the Case Advocate to the attention of the DOR unit manager charged with reviewing employee discipline matters to ensure the employee and taxpayer concerns are addressed in a fair, objective, and timely manner. Failure by the unit manager to address the concern appropriately may result in the Taxpayer Advocate recommending appropriate action to correct such service to the Director of the Department of Revenue.

16.2 If a customer makes a complaint about an employee of the Office of the Taxpayer Advocate, the Taxpayer Advocate will review the complaint to ensure the employee and taxpayer concerns are addressed in a fair, objective, and timely manner.

16.3 If the Office of the Taxpayer Advocate receives a complaint about the Taxpayer Advocate, such complaint will be referred to the Director of the Department of Revenue for their review.