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TEMPORARY ADMINISTRATIVE ORDER
INCLUDING STATEMENT OF NEED & JUSTIFICATION

REV 25-2020
CHAPTER 150
DEPARTMENT OF REVENUE

FILED
12/14/2020 3:10 PM
ARCHIVES DIVISION
SECRETARY OF STATE
& LEGISLATIVE COUNSEL

FILING CAPTION: To provide interest waiver relief to COVID-affected business taxpayers for tax year 2019.

EFFECTIVE DATE: 12/14/2020 THROUGH 06/11/2021

AGENCY APPROVED DATE: 12/14/2020

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NEED FOR THE RULE(S):

To provide interest waiver relief to business income taxpayers who owe tax year 2019 income tax because of financial hardship related to the COVID-19 pandemic emergency. The rule is necessary to grant waivers under ORS 305.145.

JUSTIFICATION OF TEMPORARY FILING:

- (1) The department would not have the authority to waive interest without a rule authorizing the interest waiver. Business owners with financial hardships due to the COVID-19 emergency would not be able to file for relief without this temporary rule.
- (2) Business income taxpayers who would otherwise qualify for the interest waiver announced by the Governor, would not be eligible.
- (3) The department currently has statutory authority to waive interest by rule under ORS 305.145, however a rule must be in place for a waiver to be granted.
- (4) A temporary rule will allow the department to be immediately approving interest waiver requests and provide guidance to business owners.

DOCUMENTS RELIED UPON, AND WHERE THEY ARE AVAILABLE:

The agency relied on Oregon Revised Statute 305.145; it can be found online at https://www.oregonlegislature.gov/bills_laws/Pages/ORS.aspx.

ADOPT: 150-305-0070

RULE SUMMARY: To provide interest waiver relief to business income taxpayers who owe tax year 2019 income tax because of financial hardship related to the COVID-19 pandemic emergency.

CHANGES TO RULE:

[150-305-0070](#)
[Interest Waivers Due to COVID-19 Pandemic Emergency](#)

(1) The department will waive statutory interest imposed under ORS 305.220 or 305.222 on income/excise tax deficiencies or delinquencies of certain businesses for tax year 2019 if all of the following criteria are met:¶
(a) The taxpayer has unpaid individual income or corporate income/excise tax for tax year 2019 that remains unpaid beyond the due date of the tax year 2019 tax return;¶
(b) The individual taxpayer's business or the corporate taxpayer has gross receipts of less than \$5 million for tax year 2019;¶
(c) The taxpayer has entered into a department-approved payment plan or the taxpayer pays the balance of the tax liability in full within six months of the date of assessment of the tax; and ¶
(d) The taxpayer's ability to timely pay the tax has been affected by COVID-19 restrictions in place due to the pandemic emergency that, in the department's determination, constitute good and sufficient cause for the waiver of interest. ¶
(2) The department will waive the interest for qualifying taxpayers at the time the tax year 2019 tax has been paid in full, either when the taxpayer makes payment in full or the taxpayer has successfully completed the department-approved payment plan, whichever is earlier.
Statutory/Other Authority: ORS 305.100, 305.145(3)
Statutes/Other Implemented: ORS 305.145