



ADMINISTRATIVE RULE REVIEW

	Rule No. 150-317-1500	
New Adopt	Page Page 1 of 2	Last Revised Date September 18, 2020
Permanent Rule	NOTICE OF INTENDED ACTION	
	Bulletin Dated October 2020	Hearing Scheduled October 27, 2020

PURPOSE: Establishes that no penalty will be assessed against taxpayers making a good faith effort to comply with ORS 317A.137(2) for tax year 2020. Provides factors that the department will consider when determining good faith effort.

1 **150-317-1500 Good Faith Effort**

2 (1) *Good Faith Effort.* A taxpayer’s good faith effort to comply with ORS 317A.137(2) is demonstrated  
3 by the extent of the taxpayer’s efforts to accurately estimate and pay the quarterly installment as required  
4 under ORS 317A, and OARs 150-317-1300, 150-317-1310, and 150-317-1320.

5 (a) For tax years beginning on or after January 1, 2020, the following circumstance demonstrates good  
6 faith: The taxpayer made a reasonable estimate of the quarterly installment based on information  
7 available to the taxpayer at the time the quarterly installment was due.

8 (b) For the tax year beginning January 1, 2020 and ending before January 1, 2021, the following  
9 circumstances demonstrate good faith:

10 (A) The taxpayer cannot reasonably determine, at the time the quarterly installment is due, whether the  
11 taxpayer will have CAT liability for the 2020 tax year, due to the negative impact of COVID-19, after  
12 taking into consideration the exclusions and subtractions provided in ORS 317A;

13 (B) The taxpayer did not have sufficient funds to pay the required installment for the quarter, due to the  
14 impact of the COVID-19 pandemic on the taxpayer’s business; or

15 (C) The taxpayer cannot reasonably calculate the required quarterly installment or annual tax liability due  
16 to the impact of the COVID-19 pandemic on the taxpayer’s business.

17 (2) The department will not assess the penalty imposed under ORS 317A.161(2) for nonpayment,  
18 underpayment, or underreporting of the estimated tax installment for any quarter of tax year 2020 if the  
19 taxpayer demonstrates a good faith effort, as defined in Section 1 of this rule, to accurately estimate and  
20 pay the quarterly installment required under ORS 317A.137.

21 (3) *Documentation.* The department may require documentary proof to substantiate assertions of good  
22 faith. Taxpayers must retain documentation showing good faith effort as defined in section (1).

23 Taxpayers are not required to submit this documentation to the department, unless requested by the  
24 department.

25 **Stat. Auth.:** ORS 305.100, 317A.143



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1 **Stats. Implemented:** ORS 317A.137, 317A.161