



Tax Professional Liaison Meeting

July 30, 2021

Daron Prara, Policy Analyst

Agenda

- 01** Revenue Online Update
- 02** Steps to Reply to a Letter
- 03** Questions?



Responding to DOR letters on ROL, non-logged in

- We have added a new portal to Revenue Online (ROL), allowing taxpayers or their representatives to electronically reply to DOR letters without having an ROL account or needing to log into ROL.

Which letters are eligible?

- To use the new portal, the taxpayer must be replying to a DOR letter, and it must be a letter to which DOR expects a reply.
- The following letters will work with the new portal. If a taxpayer attempts to reply to a letter that is not on this list, they will receive an error message.



Examples of letters

Return Processing/Registration:

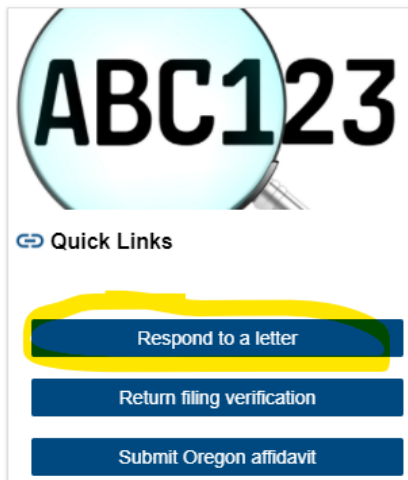
- “Request for Return Filing Verification”
- “Request for Identity Verification”
- “Request for Additional Documentation”
- “Request for Name and SSN”

Steps to reply to a letter

1. Navigate to the Revenue Online homepage.

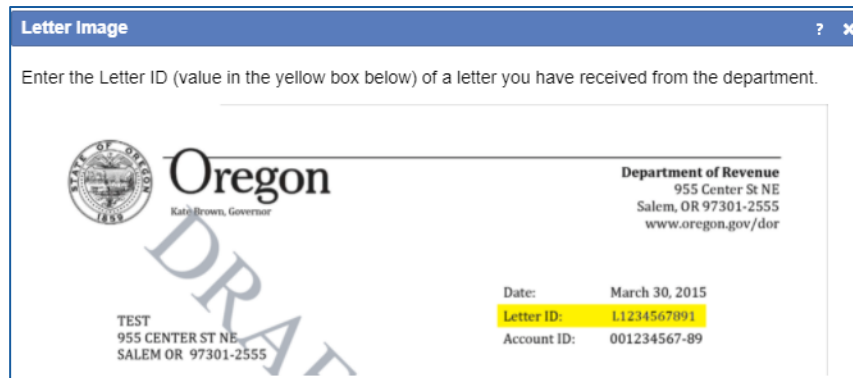
[https://revenueonline.dor.oregon.gov/tap/ /](https://revenueonline.dor.oregon.gov/tap/)

2. Under “Quick Links,” choose the “Respond to a letter” option.



Steps to reply to a letter (cont.)

3. Fill in the letter ID from the letter to which you are replying, and enter either the taxpayer's last name (if an individual) or the business name (if a business). Then, click "Next."



The screenshot shows the "Letter Response" web form. The breadcrumb trail is "Home > Letter Response". The progress indicator shows "1. Letter ID" as the current step, followed by "2. Contact Information" and "3. Attachments". The "Letter ID" section contains the following text: "Please enter the Letter ID and customer's name shown on the letter you received from the department. If the customer is an individual, enter only last name. If two taxpayers are listed on the letter, use the last name of the first taxpayer. For Estate, Fiduciary, and Deferral account types enter the taxpayer's full name as shown on the letter." There are three input fields: "Letter ID" (Required), "Taxpayer Last Name" (Required), and "Business Name" (Required). A tooltip for the "Letter ID" field shows "What's my Letter ID?", "Required", and "Format: L9999999999". At the bottom, there are "Cancel", "Previous", and "Next" buttons.

Steps to reply to a letter (cont.)

4. Fill out the required fields, identifying who is replying to the letter, contact info, and explanation. Then, click “Next.”

The screenshot displays a web form titled "Letter Response". At the top, there is a navigation breadcrumb: "Home > Letter Response". Below this, a progress indicator shows three steps: "1. Letter ID", "2. Contact Information" (which is the current step and highlighted in blue), and "3. Attachments".

The main section is titled "Contact Information" and contains the instruction: "Please provide the contact information for the individual submitting this request." Below this instruction are five input fields, each with a "Required" label:

- First Name: Required
- Last Name: Required
- Phone: Required
- Email: Required
- Provide a brief description of your attachment(s): Required

At the bottom of the form, there are three buttons: "Cancel" on the left, and "Previous" and "Next" on the right.

Steps to reply to a letter (cont.)

5. You can include up to 10 attachments. Then, click “Submit.”

Letter Response

Home > Letter Response

1. Letter ID > 2. Contact Information > 3. Attachments

Attachments

Click the 'Add' button to attach your files. You may attach up to ten files with your submission.

If you need to attach more than ten files, you may repeat this process. You may attach the following file types: .pdf, .xls, .xlsx, .doc, .docx, .png, .jpeg, .jpg, .txt, .zip, .qbw, .qbb, .qbm, .qbo, .qbx, .qba.

No attachments added.

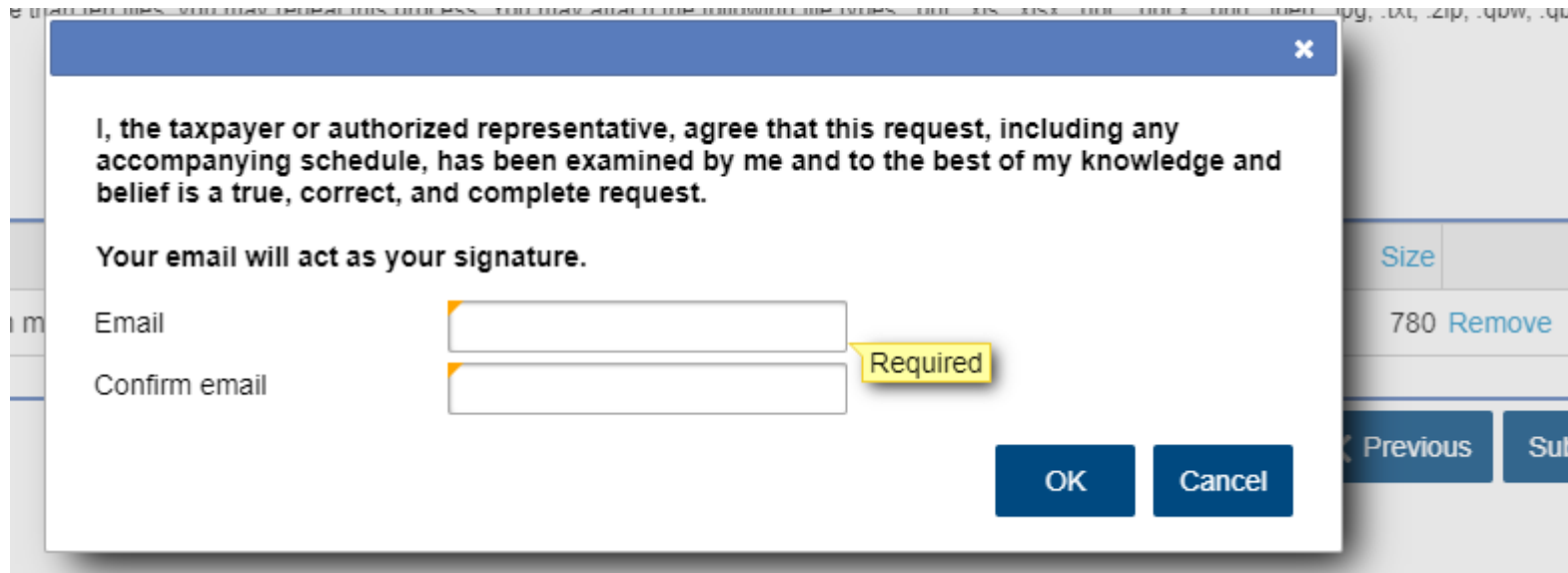
Attachment Required

Type	File Name	Description	Size
------	-----------	-------------	------

Cancel **< Previous** **Submit**

Steps to reply to a letter (cont.)

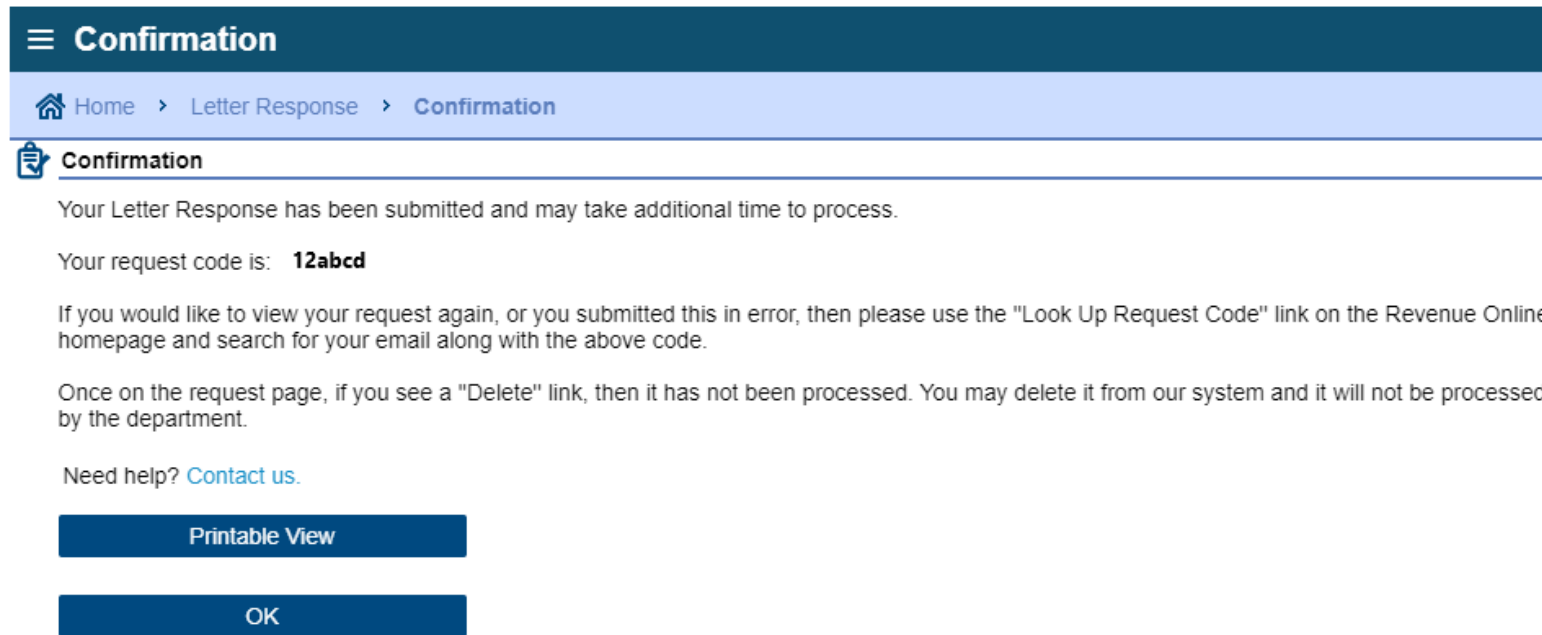
6. Enter submitter's email address twice to serve as a signature, and also to provide DOR with the address to which confirmation will be sent. Then, click "OK."



The screenshot shows a modal dialog box with a blue header bar containing a close button (X). The main text reads: "I, the taxpayer or authorized representative, agree that this request, including any accompanying schedule, has been examined by me and to the best of my knowledge and belief is a true, correct, and complete request." Below this, it states: "Your email will act as your signature." There are two text input fields: "Email" and "Confirm email". A yellow callout box with the word "Required" points to the "Email" field. At the bottom right of the dialog are two buttons: "OK" and "Cancel".

Steps to reply to a letter (cont.)

7. The system provides a confirmation request code to track your request.



The screenshot shows a web interface for a confirmation page. At the top, there is a dark blue header with a hamburger menu icon and the word "Confirmation". Below this is a light blue breadcrumb trail: "Home > Letter Response > Confirmation". Underneath is a dark blue bar with a clipboard icon and the word "Confirmation". The main content area is white and contains the following text: "Your Letter Response has been submitted and may take additional time to process." followed by "Your request code is: **12abcd**". Below that is a paragraph: "If you would like to view your request again, or you submitted this in error, then please use the 'Look Up Request Code' link on the Revenue Online homepage and search for your email along with the above code." Another paragraph follows: "Once on the request page, if you see a 'Delete' link, then it has not been processed. You may delete it from our system and it will not be processed by the department." At the bottom of the text area, it says "Need help? [Contact us.](#)". Below the text are two dark blue buttons: "Printable View" and "OK".

Confirmation

Home > Letter Response > Confirmation

Confirmation

Your Letter Response has been submitted and may take additional time to process.

Your request code is: **12abcd**

If you would like to view your request again, or you submitted this in error, then please use the "Look Up Request Code" link on the Revenue Online homepage and search for your email along with the above code.

Once on the request page, if you see a "Delete" link, then it has not been processed. You may delete it from our system and it will not be processed by the department.

Need help? [Contact us.](#)

Printable View

OK



Questions?

DOR Practitioner Specialist

Phone: 503-947-3541

prac.revenue@oregon.gov



Highlights of the 2021 Legislative Session

Tax Practitioner Liaison Meeting

July 30, 2021

Marjorie Taylor, Legislative Director

Agenda

- 01** Agency budget package
- 02** Bills that impact DOR
- 03** What comes next – DOR
- 04** What comes next – Legislature
- 05** Questions/Answers



The 2021 Regular Session of the 81st Legislative Assembly adjourned Sine Die on Saturday, June 26 – meaning, we’re done....for now!

Agency Budget Package

- **SB 5537, HB 5006, and SB 5505**
- No staffing or funding cuts
- Official recognition of the Collections Division
- Funding for ELVIS
- Funding for quick modules
- Investments in additional IT staff
- Budget Note to report back with a plan to modernize and enhance the customer call centers





Alfreda Bales Resolution

- **SCR 18** celebrates Alfreda's unmatched 60 years of state service.
- A copy of the resolution will be posted in the Conference Room.

A person wearing a grey and white striped sweater and blue jeans is sitting cross-legged on a light-colored wooden floor. They are holding a white document in their left hand and pointing at a silver calculator on the floor with their right hand. The floor is covered with numerous scattered tax forms and envelopes, some of which have the word 'INVOICE' visible. The background is a plain white wall.

Taxpayer Advocate Office

HB 3373 establishes the office as another avenue for taxpayers to interact with DOR – to learn about our programs or find help, when needed.

Reduction in Tax Court Fees

- **HB 2178** reduces the filing fee for complaints or petitions filed in the Magistrate Division of the Tax Court from \$281 to \$50.
- The standard \$281 filing fee remains for complaints in the Regular Division of the Tax Court.
- Reduction takes effect January 1, 2022.





Juneteenth Holiday

- **HB 2168** establishes June 19th as a state holiday to commemorate the emancipation of slaves in the United States.
- June 19, 1865 is considered the date when the last slaves in America were freed – when the end of the Civil War and end of slavery were announced in Galveston, Texas.
- On June 16, 2021, Congress passed legislation to establish the Juneteenth National Independence Day.
- The new holiday may impact banking and mailing activities.



Protecting Taxpayer Data

- **HB 2128** requires tax professionals to report data breaches of one or more taxpayers within five days of learning about the breach.
- DOR will work with professionals in other ways if data are not immediately available.

Charitable Contributions

- **HB 2129** modernizes statutes and procedures surrounding the Charitable Checkoff Commission to reflect recent practice.
- **SB 119** allows artists to receive a subtraction for contributions of artwork, but does not require them to submit the appraisal report of value of their artwork.



Emancipation Day Holiday – Alignment of Payments

- **HB 2130** reflects the impact of the holiday on filing tax returns, extends the date for estimated taxes to no later than April 18, or the due date of the prior year return.





Reconnection to Federal Internal Revenue Code

- **HB 2457** updates the static tie to federal law for several Oregon statutes;
- Maintains the definition of federal taxable income as it applies to Oregon; and
- Connection date is April 1, 2021, to cover the federal American Rescue Plan Act.

Omnibus Tax Credit Bill

- **HB 2433** extends sunsets for a variety of tax credits and subtractions that would have expired during the 2021-23 biennium.
- Also includes expansion of eligibility for Working Family Dependent Household Credit (was **HB 2721**).
- Also includes expansion of the use of Earned Income Tax Credit to people using ITIN (was **HB 2819**).





Pass-Through Entities

- **SB 139** changes the previous reduced tax rates for some levels of pass-through income;
- Modifies qualifications for participation based on employee to employer ratio and distributions of income; and
- Focuses tax benefit on smaller businesses employing more people.
- **SB 727** creates a new, voluntary entity-level income tax on qualified pass-through entities; and
- Allows business owners to offset income tax credit claimed on the Oregon personal income tax return.
- Unless Congress repeals the limitation on deduction for State and Local Taxes, then DOR will implement the tax and credit for tax years 2022 and 2023.



Senior Property Tax Deferral and Delinquent Taxes

- **HB 2634** extends sunset on the program to 2032, and other program refinements;
- Creates a floor in the cap on real-market value for properties, to ease the limit in rural counties; and
- Allows surviving spouses or heirs to continue to participate in the program under certain circumstances.
- **HB 3143** changes the date to begin accrual of interest on delinquent property taxes from November 15 to December 15.



Affordable Housing

- **HB 2008** allows a property tax exemption for land and buildings for religious organizations to provide affordable housing.
- DOR will receive initial applications for exemptions and subsequent annual applications go to county assessors.
- **HB 3275** requires a property tax exemption for land with an affordable housing covenant held by an eligible covenant holder; and
- Requires a 27 percent assessed-value exemption for owner-occupied condominiums on such land.





Wildfires and Property Taxes



- **HB 2341** changes methodology for proration of taxes on property destroyed or damaged by fires, basing the proration on real-market rather than assessed value;
- Authorizes county tax collectors to prorate imposed property taxes without applications if they believe a property is in an area affected by wildfires; and
- Applies to tax years on or after July 1, 2020.
- **SB 464** allows counties to adopt ordinances and maps of impacted areas where tax collectors are directed to cancel five-sixths of property taxes for 2020-21 tax year.
- Taxpayers may apply for the cancellation if their property was subject to disruption of use due to wildfire.

“Broadcasters Bill” - Corporations

- **SB 136** addresses on-going legislative conversations that began in 2014; and
- Refines the calculation methodology applied to broadcasting sales.



“CAT Fix” Bill

- **SB 164** allows taxpayers to use the federal tax year for CAT purposes and file on a fiscal year basis;
- Excludes new vehicle transfers between franchised dealerships;
- Excludes compensation of consignee selling groceries for the owner of groceries;
- Excludes insurance companies subject to retaliatory tax; and
- Makes other technical changes.





Tobacco Retail License Program

- **SB 587** requires DOR to issue tobacco retail licenses for tobacco products and inhalant delivery systems; and
- Prohibits DOR from requiring retailers to obtain an additional license if they are licensed by a city or local public health authority (and vice versa).





Delay of Implementation for Paid Family Leave

- **HB 3398** leaves the program administration with the Employment Department; and
- Implementation deadline for employer and employee contributions is extended from January 1, 2022 to January 1, 2023.



What Comes Next DOR



Implementation plans for 2021 legislation – IT needs, Rules, Communications, etc.



Begin planning for 2023 legislative package and budget requests.



Prepare for February 2022 Legislative Session.

What Comes Next Legislature



Special Session in September for redistricting.



Other interim committee meetings (revenue forecasts and requesting bills for 2022).



February 2022 Legislative Session (Feb 1 – March 7).



Questions/Answers



Need additional information?

Marjorie Taylor

(503) 476-7644

marjorie.taylor@oregon.gov



Estate and Fiduciary Unit Updates

July 30, 2021

Estate Unit

Agenda

- 01** Staff Updates
- 02** Forms Update
- 03** Discharge Requests
- 04** Estate Due Dates
- 05** Contact Information

Staff Updates

Two Newer Audit Staff:

- Lisa Enriquez, started January 2021.
- Nick Odom, started October 2020.

One Departing Audit Staff:

- John Koehnke, transitioning back to Corporation Audit.

Continuing Staff

- Jessica Brewer, with us for seven years
- Julie Anderson, manager

Forms Update

2021 Estate Transfer Forms will be available first week of August.

- Please use only the correct year form.

Two forms no longer year specific

- Form OR-NRC-CERT
- Form OR-706-DISC

2021 Fiduciary Forms will be available in January of 2022.

Discharge Requests

- Please only use the newest form.
- We will issue Certificate of Discharge letter when completed.

Form OR-706-DISC
Page 1 of 1, 150-104-005
(Rev. 06-25-21, ver. 01)

Oregon Department of Revenue

Request for Discharge from Personal Liability

17540001010000

Office use only

Submit original form—do not submit photocopy.

Decedent's first name Initial Decedent's last name Date of death Decedent's Social Security number (SSN)

Decedent's last permanent address

Executor or trustee name Initial Executor or trustee last name City State ZIP code

Executor or trustee (if not an individual) Title

Executor or trustee current address

Person to contact* (if other than executor or trustee) City Executor or trustee phone

Person to contact* Initial Person to contact last name State ZIP code

Contact phone

*Include a copy of the Tax Information Authorization and Power of Attorney for Representation form, 150-800-005, with this request.

Don't submit this form with your OR-706 filing, instead complete and mail it separately.

I certify that I represent the estate named above in a fiduciary capacity as executor, trustee, personal representative, or other fiduciary title. (If you haven't filed Form OR-706, Oregon Estate Transfer Tax Return, include a copy of the decedent's will, the decedent's trust, or other document you are relying on to act in a fiduciary capacity.)

As provided in Oregon Revised Statutes (ORS) 118.265 and 118.227, I request a final estate transfer tax determination and discharge of personal liability for the Oregon estate transfer tax due on the estate of the above listed decedent. I understand you will notify me of the amount of tax due under ORS Chapter 118:

a. Within 18 months of this application; or

b. If I make this application before the return is filed, by the earliest of:

1. 18 months after the return is filed; or
2. The expiration of the period for the assessment of tax under ORS 305.265.

You may issue the following:

- Notice of deficiency as provided in ORS 314.410.
- Notice of assessment as provided in ORS 305.265.
- Refund of tax paid, or portion of tax paid, under Chapter 118, as provided in ORS 314.415.

I understand that after I, the estate executor, make full payment, other than any amount for which the time for payment is extended by you, I will be discharged from personal liability for any Oregon estate transfer tax deficiency.

The Department of Revenue will issue a Certificate of Discharge letter and mail it to the estate executor after the estate transfer tax account is paid in full. I understand this discharge doesn't discharge me from liability to the extent that assets of the decedent's estate are still in my possession or control. Until such time that the statute of limitations described in ORS 314.410 have expired, I understand this discharge doesn't discharge the heirs and beneficiaries from any estate transfer tax liability, penalties, or interest to the extent that assets of the decedent's estate have been distributed to such heir or beneficiary.

Signature of executor, as named above X

Date

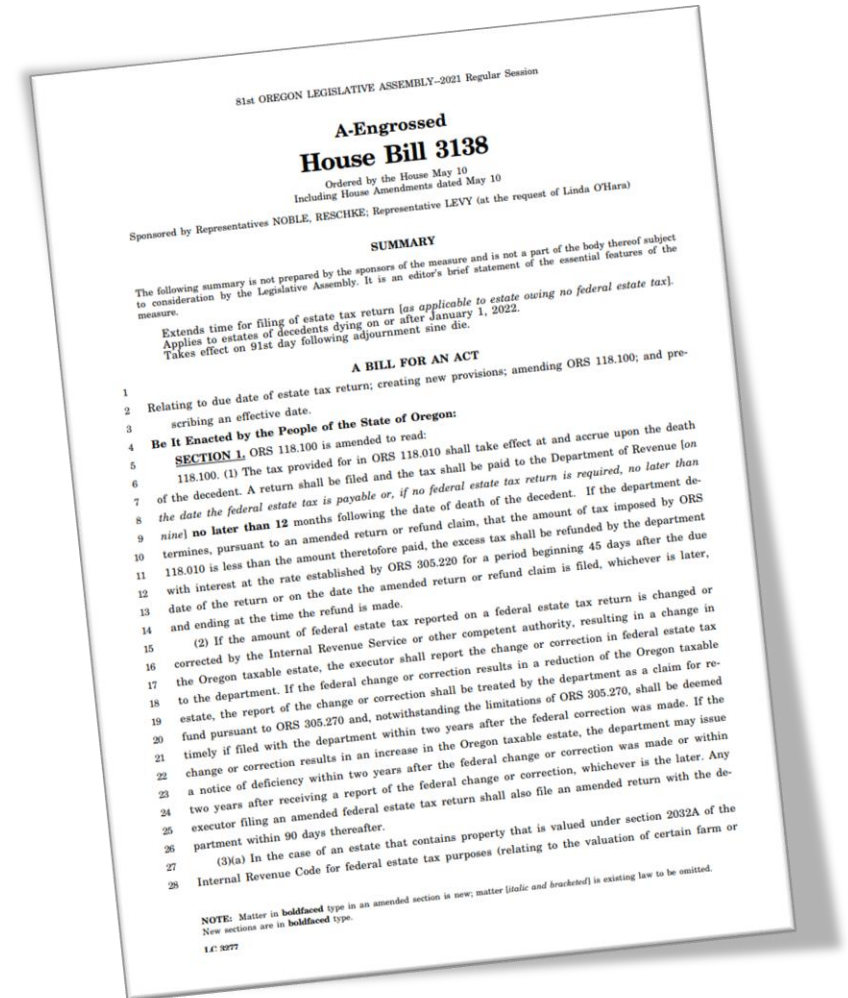
Submit this completed discharge request to: Oregon Department of Revenue
PO Box 14110, Salem OR 97309-0910

Estate Transfer Tax Due Dates

HB 3138, 2021 Regular Session

- Effective for Date of Deaths (DOD's) on or after January 1, 2022.
- Due date is 12 months instead of nine months from DOD.

No changes to DOD's on or before December 31, 2021.





Estate or Fiduciary Questions?

Estate.help.dor@dor.Oregon.gov

Tax Services:

503-378-4988, Salem or Outside Oregon

800-356-4222, Toll-Free from Oregon Prefix



Regular 2021 Session HB 3373

Establishes office of Taxpayer Advocate in Department of Revenue

July 30, 2021

Codi Trudell

House Bill 3373

Sponsored by Representative FAHEY

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 as introduced.

Establishes office of Taxpayer Advocate in Department of Revenue. Establishes functions, powers and duties of office. Becomes operative January 1, 2022.

Directs magistrate division of Oregon Tax Court to order attorney fees if opposing party disobeys court order or makes assertion without objectively reasonable basis. Allows attorney fees in cases involving transit self-employment taxes. Applies to judgments entered on or after effective date of Act.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to taxpayers; creating new provisions; amending ORS 20.105 and 305.490; and prescribing
3 an effective date.

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

5 **SECTION 1.** Sections 2 to 4 of this 2021 Act are added to and made a part of ORS chapter
6 305.

7 **SECTION 2.** (1) The office of the Taxpayer Advocate is established in the Department of
8 Revenue. The office shall be responsible for directly assisting taxpayers and their represen-
9 tatives to ensure their understanding and utilization of the policies, processes and proce-
10 dures available to them in the resolution of problems related to taxes collected by the
11 department. The Director of the Department of Revenue shall select the employees of the
12 office, who may include employees of the department and residents of this state with
13 knowledge of taxation.

14 (2) The office shall assist taxpayers in:

15 (a) Obtaining easily understandable tax information and information on audits, cor-
16 rections and appeals procedures of the department;

17 (b) Answering questions regarding preparing and filing returns with the department; and

18 (c) Locating documents or payments filed with or submitted to the department by tax-
19 payers.

20 (3) The office may also:

21 (a) Receive and evaluate complaints of improper, abusive or inefficient service by em-
22 ployees of the department and recommend to the director appropriate action to correct such
23 service;

24 (b) Identify policies and practices of the department that might be barriers to the equi-
25 table treatment of taxpayers and recommend alternatives to the director;

26 (c) Provide expeditious service to taxpayers whose problems are not resolved through
27 ordinary channels;

28 (d) Collaborate with department personnel to resolve the most complex and sensitive

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.

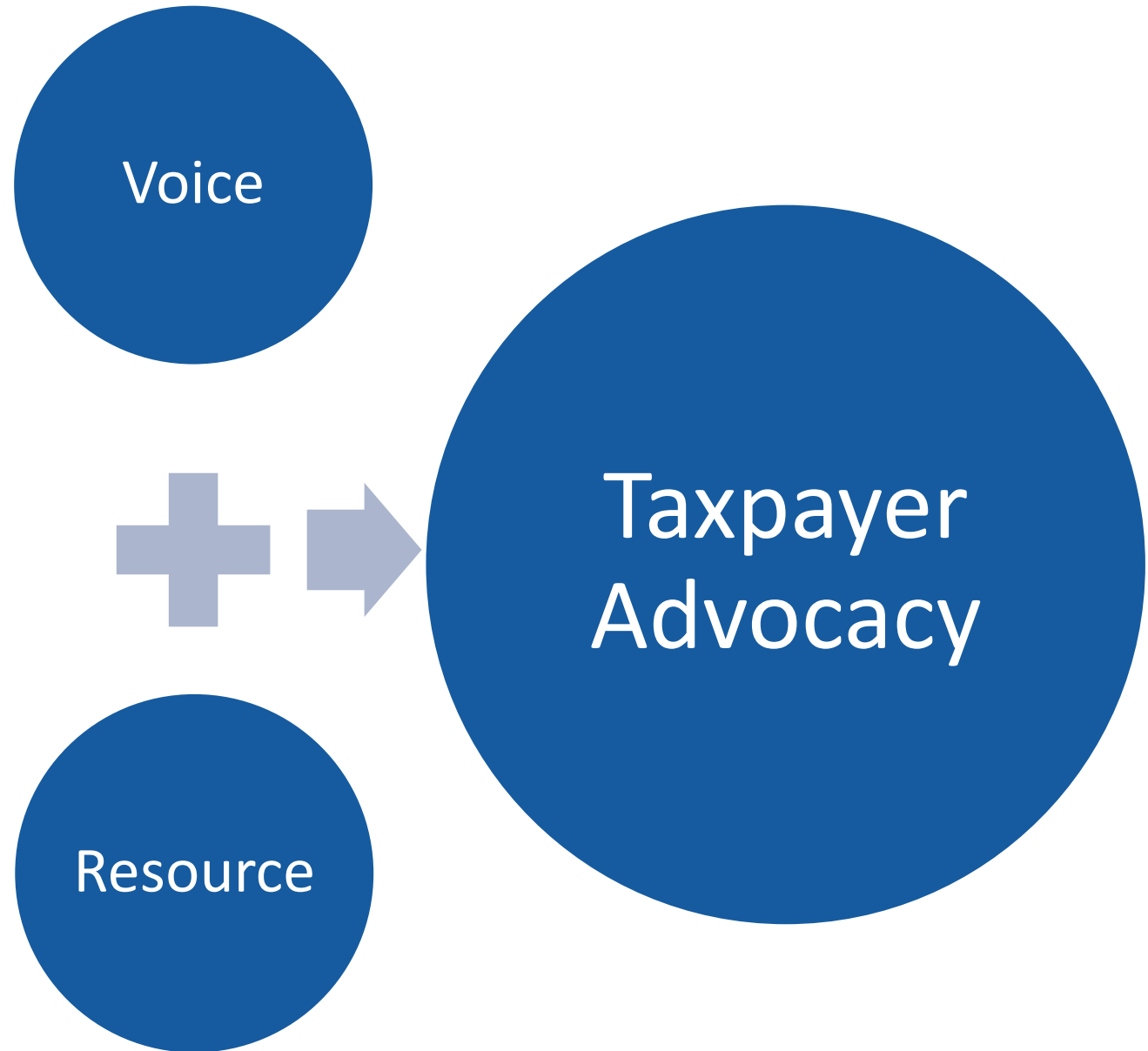
LC 3066

Enrolled HB 3373

- Establishes the Taxpayer Advocate Office in Department of Revenue
 - Appointed by and reports to the Director of the Department of Revenue
- Allows attorney fee reimbursement if opposing party disobeys order or makes assertion without objectively reasonable bias
- Allows attorney fees for transit self-employment taxes

Taxpayer Advocate Office

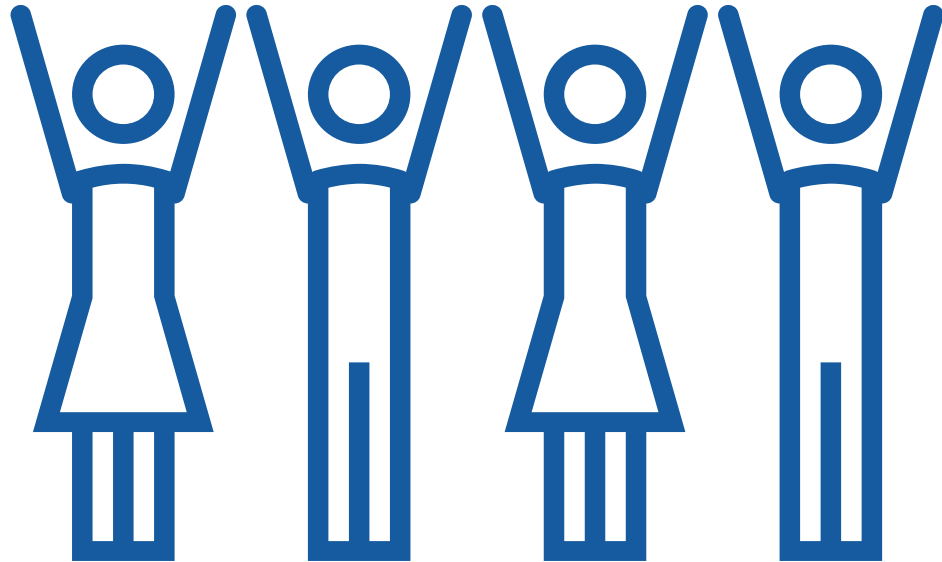
- Helps taxpayers access understandable information and documents
- Answers questions



Taxpayer Advocate Office

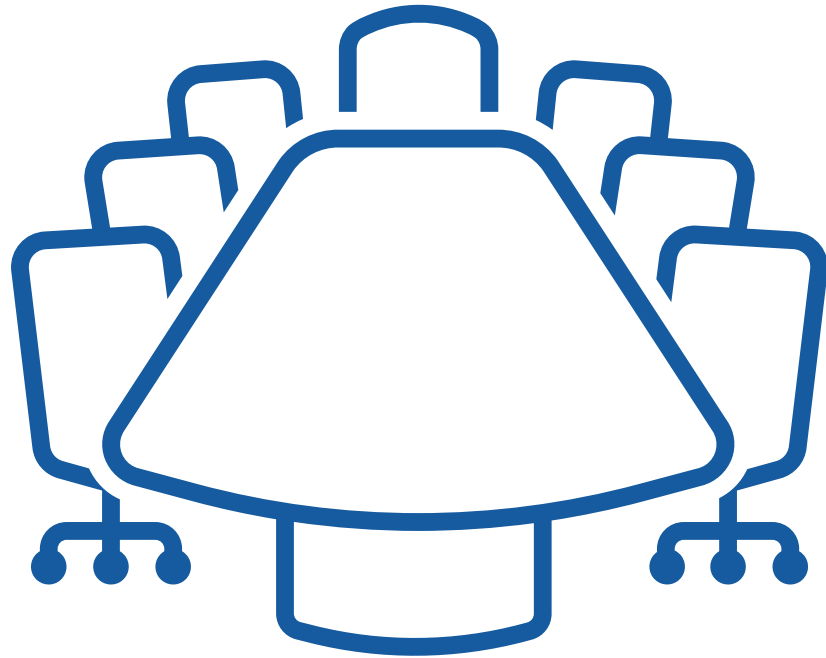
- Receives and evaluates complaints of service by employees
- Provides prompt service for taxpayer issues not resolved through ordinary channels





Taxpayer Advocate Office

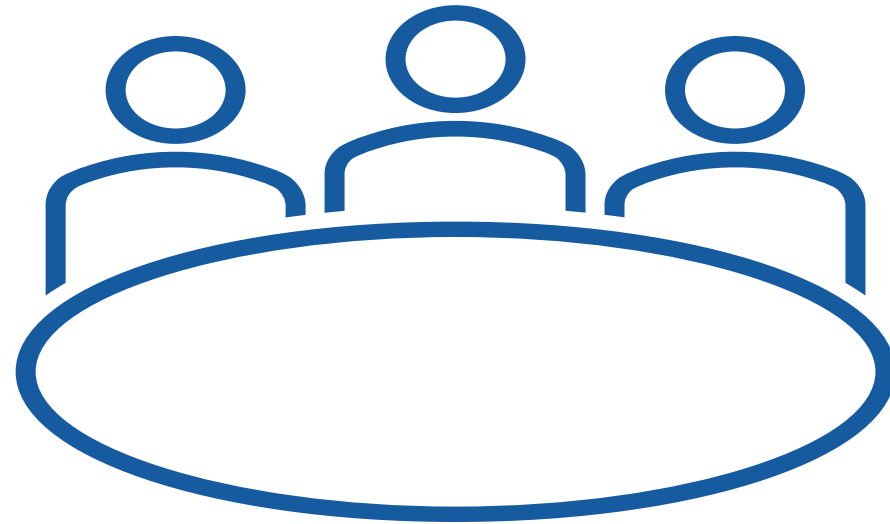
- Reviews current and potential policies and procedures
- Attends department meetings and recommend solutions



Taxpayer Advocate Office

- Advises the director of improper action in administering laws
- Issues orders to department to cease actions in significant hardship circumstances

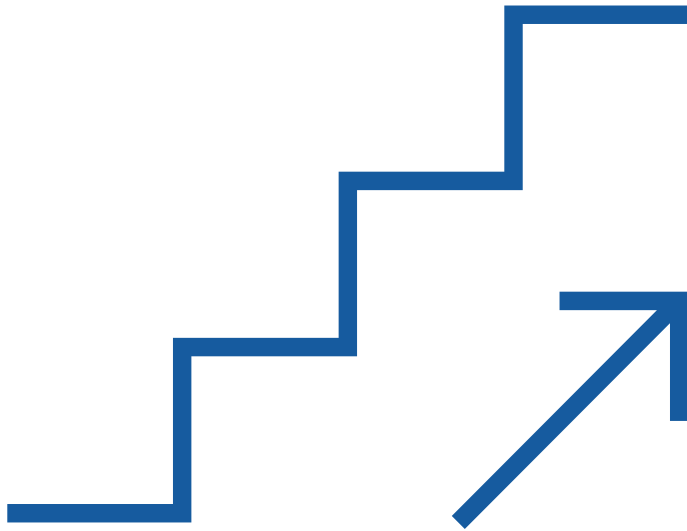
Reporting Requirement



- Semi-annual report to the legislature
- Status and operation of the office
- Identified issues or barriers of equitable and fair collection of taxes
- Recommendations

Next Steps

- Implementation phase
- Office operational January 2022





Questions?

Codi Trudell

(503) 985-2973

codi.trudell@dor.oregon.gov