

Requested by Representative WITT

**PROPOSED AMENDMENTS TO
HOUSE BILL 4079**

1 On page 1 of the printed bill, delete lines 6 through 28 and delete pages
2 2 through 13 and insert:

3 **“SECTION 1. (1) As used in this section:**

4 **“(a) ‘Former foster child’ means an individual who, up until**
5 **reaching 21 years of age, was:**

6 **“(A) A ward of the court pursuant to ORS 419B.100 (1)(b) to (e), in**
7 **the legal custody of the Department of Human Services for out-of-**
8 **home placement; or**

9 **“(B) An Indian child subject to ORS 419B.600 to 419B.654, under the**
10 **jurisdiction of a tribal court for out-of-home placement.**

11 **“(b) ‘Low-income’ means having income that is at or below 400**
12 **percent of the federal poverty guidelines.**

13 **“(2) The Oregon Freedom Pilot Program is established in the de-**
14 **partment. The purpose of the program is to assist low-income former**
15 **foster children and pregnant individuals to live in dignity by providing**
16 **monthly payments of \$750.**

17 **“(3) To qualify for the program, an individual must be:**

18 **“(a) 18 years of age or older;**

19 **“(b) A low-income resident of Oregon; and**

20 **“(c)(A) A former foster child; or**

21 **“(B) Pregnant and a recipient of medical assistance, as defined in**

1 **ORS 414.025.**

2 **“(4) The department shall seek waivers or other exemptions from**
3 **the federal government that are necessary to exclude payments under**
4 **this section from consideration for the temporary assistance for needy**
5 **families program in ORS 412.001 to 412.069, the Supplemental Nutrition**
6 **Assistance Program, as defined in ORS 411.806, medical assistance, as**
7 **defined in ORS 414.025, and any other need-based program funded in**
8 **whole or in part with federal funds.**

9 **“(5) Payments from the Oregon Freedom Pilot Program do not**
10 **count as income for any state-funded need-based benefits or assist-**
11 **ance.**

12 **“(6) If the federal government denies waivers or other exemptions**
13 **requested by the department under subsection (4) of this section, the**
14 **department shall administer a program to semiannually reimburse a**
15 **participant receiving payments under subsection (2) of this section for**
16 **any reduction, caused by receipt of the payments, in the participant’s**
17 **temporary assistance for needy families program benefits, Supple-**
18 **mental Nutrition Assistance Program benefits or other need-based**
19 **benefits.**

20 **“(7) The department shall establish application procedures and**
21 **adopt rules necessary to carry out the provisions of this section.**

22 **“SECTION 2. (1) No later than September 15, 2025, the Department**
23 **of Human Services shall provide a preliminary report to the interim**
24 **committees of the Legislative Assembly related to human services on**
25 **the success of the Oregon Freedom Pilot Program established in sec-**
26 **tion 1 of this 2022 Act in achieving the goal of enabling low-income**
27 **Oregonians participating in the program to live in dignity and meet**
28 **their basic needs.**

29 **“(2) No later than September 15, 2027, the department shall provide**
30 **a final report to the interim committees of the Legislative Assembly**

1 related to human services with the department’s findings on the suc-
2 cess of the program in achieving the goal of the program.

3 **“SECTION 3.** Section 1 of this 2022 Act becomes operative on Jan-
4 uary 1, 2023.

5 **“SECTION 4.** The Department of Human Services shall take all
6 actions before the operative date specified in section 3 of this 2022 Act
7 that are necessary for the department to exercise, on and after the
8 date specified in section 3 of this 2022 Act, all of the duties and func-
9 tions conferred on the department by section 1 of this 2022 Act.

10 **“SECTION 5.** Section 1 of this 2022 Act is repealed on December 31,
11 2026.

12 **“SECTION 6.** As used in sections 6 to 23 of this 2022 Act:

13 **“(1) ‘All-terrain vehicle’ means:**

14 **“(a) A class I all-terrain vehicle as defined in ORS 801.190;**

15 **“(b) A class II all-terrain vehicle as defined in ORS 801.193;**

16 **“(c) A class III all-terrain vehicle as defined in ORS 801.194; and**

17 **“(d) A class IV all-terrain vehicle as defined in ORS 801.194.**

18 **“(2) ‘Boat’ has the meaning given that term in ORS 830.700 and in-**
19 **cludes all such watercraft regardless of how the watercraft is powered.**

20 **“(3) ‘Civil aircraft’ has the meaning given that term in ORS 836.005.**

21 **“(4)(a) ‘Clothing’ means all human wearing apparel suitable for**
22 **general civilian and secular use.**

23 **“(b) ‘Clothing’ does not include bridal apparel.**

24 **“(5) ‘Electronic device’ means a desktop or portable computer,**
25 **camera or cellular phone that uses technology having electrical, dig-**
26 **ital, magnetic, wireless, optical, electromagnetic or similar capabili-**
27 **ties, or any component of such a computer, camera or cellular phone.**

28 **“(6) ‘Recreational vehicle’ has the meaning given that term in ORS**
29 **174.101.**

30 **“(7) ‘Recreational watercraft’ means any boat that is not purchased**

1 for commercial or public uses.

2 “(8)(a) ‘Retail sales price’ means the total price paid at retail by a
3 purchaser to a seller for taxable luxury goods, exclusive of the amount
4 of any excise, privilege, sales or use tax that becomes due with respect
5 to the sales transaction.

6 “(b) ‘Retail sales price’ does not include the retail value of modifi-
7 cations to a vehicle operated on land or water or in the air that are
8 necessary for a person with a disability to enter or drive or to other-
9 wise operate or use the vehicle.

10 “(9) ‘Snowmobile’ has the meaning given that term in ORS 801.490.

11 “(10)(a) ‘Taxable luxury goods’ means:

12 “(A) A new or used motor vehicle with a retail sales price greater
13 than \$80,000;

14 “(B) A new recreational vehicle with a retail sales price greater
15 than \$125,000;

16 “(C) A new all-terrain vehicle with a retail sales price greater than
17 \$7,500;

18 “(D) A new snowmobile with a retail sales price greater than
19 \$15,000;

20 “(E) Any new motorized recreational watercraft with a retail sales
21 price greater than \$125,000;

22 “(F) New civil aircraft with a retail sales price greater than \$500,000;

23 “(G) A new firearm with a retail sales price greater than \$5,000;

24 “(H) A new electronic device with a retail sales price greater than
25 \$2,000;

26 “(I) A new handbag with a retail sales price greater than \$500;

27 “(J) Any new item of clothing with a retail sales price greater than
28 \$2,500; or

29 “(K)(i) A new or used item or items of jewelry purchased in a single
30 transaction with a total retail sales price greater than \$20,000; or

1 “(ii) New or used items of jewelry that are designed to be worn to-
2 gether but are purchased in separate transactions with a total aggre-
3 gate sales price greater than \$20,000.

4 “(b) ‘Taxable luxury goods’ does not mean property that is pur-
5 chased for commercial or public uses.

6 “SECTION 7. (1) A sales tax is imposed on the sale in this state of
7 taxable luxury goods.

8 “(2) The sales tax shall be computed at the rate of three percent
9 of the retail sales price of the taxable luxury goods. The tax may be
10 rounded to the nearest whole cent.

11 “(3) The sales tax is a liability of the purchaser of the taxable lux-
12 ury goods.

13 “(4) A seller shall collect the amount of the sales tax at the time
14 of the taxable sales transaction.

15 “SECTION 8. (1) A use tax is imposed on the storage, use or other
16 consumption in this state of taxable luxury goods purchased from any
17 seller.

18 “(2) The use tax shall be computed at the rate of three percent of
19 the retail sales price of the taxable luxury goods. The tax may be
20 rounded to the nearest whole cent.

21 “(3) The use tax is a liability of the purchaser of the taxable luxury
22 goods.

23 “(4) The use tax shall be reduced, but not below zero, by the amount
24 of sales or use tax imposed by any jurisdiction on the sale, or the
25 storage, use or other consumption, of the taxable luxury goods. The
26 reduction under this subsection shall be made only upon a showing
27 by the purchaser that the sales or use tax has been paid.

28 “(5) The amount of the use tax shall be separately stated on an in-
29 voice, receipt or other similar document that the seller provides to the
30 purchaser or shall be otherwise disclosed to the purchaser.

1 “(6) A purchaser’s liability for the use tax is satisfied by a valid
2 receipt given to the purchaser pursuant to section 10 of this 2022 Act
3 by the seller of the taxable luxury goods.

4 “SECTION 9. For purposes of ORS 315.037, any tax expenditure en-
5 acted with respect to the sales and use taxes imposed under sections
6 7 and 8 of this 2022 Act shall remain in continuous effect until the
7 Legislative Assembly expressly provides otherwise.

8 “SECTION 10. (1) A seller shall collect the use tax imposed under
9 section 8 of this 2022 Act from a purchaser of taxable luxury goods and
10 give the purchaser a receipt for the use tax in the manner and form
11 prescribed by the Department of Revenue if:

12 “(a) The seller is:

13 “(A) Engaged in business in this state;

14 “(B) Required to collect the use tax; or

15 “(C) Authorized by the department, under rules the department
16 adopts, to collect the use tax and, for purposes of the use tax, regarded
17 as a seller engaged in business in this state; and

18 “(b) The seller makes sales of taxable luxury goods for storage, use
19 or other consumption in this state that are subject to the use tax.

20 “(2) A seller required to collect the use tax under this section shall
21 collect the tax:

22 “(a) At the time of the taxable sales transaction; or

23 “(b) If the storage, use or other consumption of the taxable luxury
24 goods is not taxable at the time of sale, at the time the storage, use
25 or other consumption becomes taxable.

26 “(3) To ensure the proper administration of section 8 of this 2022
27 Act, and to prevent evasion of the use tax, the following presumptions
28 are established:

29 “(a) Taxable luxury goods are stored, used or otherwise consumed
30 in this state if the goods are present in this state for private or public

1 **display or storage.**

2 **“(b)(A) Taxable luxury goods sold by any seller for delivery in this**
3 **state were sold for storage, use or other consumption in this state**
4 **unless the contrary is proved.**

5 **“(B) The burden of proving the contrary is on the seller unless the**
6 **seller takes from the purchaser a resale certificate to the effect that**
7 **the taxable luxury goods were purchased for resale in the ordinary**
8 **course of the purchaser’s business.**

9 **“(c)(A) Taxable luxury goods delivered outside this state to a pur-**
10 **chaser known by the seller to be a resident of this state were pur-**
11 **chased from the seller for storage, use or other consumption in this**
12 **state and stored, used or otherwise consumed in this state unless the**
13 **contrary is proved.**

14 **“(B) The contrary may be proved by:**

15 **“(i) A statement in writing, signed by the purchaser or an author-**
16 **ized agent of the purchaser and retained by the seller, that the taxable**
17 **luxury goods were purchased for storage, use or other consumption**
18 **exclusively at a designated point or points outside this state; or**

19 **“(ii) Other evidence satisfactory to the department that the taxable**
20 **luxury goods were not purchased for storage, use or other consump-**
21 **tion in this state.**

22 **“SECTION 11. (1) Notwithstanding section 7 of this 2022 Act, the**
23 **sales tax is not due on the sale of taxable luxury goods to a purchaser**
24 **who is not a resident of this state.**

25 **“(2) Notwithstanding sections 7 and 8 of this 2022 Act, a resale cer-**
26 **tificate taken from a purchaser ordinarily engaged in the business of**
27 **selling taxable luxury goods relieves the seller from the obligation to**
28 **collect and remit the sales or use tax. A resale certificate must be**
29 **substantially in the form prescribed by the Department of Revenue by**
30 **rule.**

1 **“SECTION 12. (1) If the amount of sales or use taxes imposed under**
2 **section 7 or 8 of this 2022 Act that is paid by a purchaser exceeds the**
3 **amount of taxes due, the Department of Revenue shall refund the**
4 **amount of the excess.**

5 **“(2) Except as provided in subsection (3) of this section, the period**
6 **prescribed for the department to allow or make a refund of any over-**
7 **payment of sales or use taxes paid shall be as provided in ORS 314.415.**

8 **“(3) The department shall apply any overpayment of tax first to any**
9 **outstanding amount of sales or use tax for which the purchaser is li-**
10 **able.**

11 **“SECTION 13. (1) The Department of Revenue shall deposit all rev-**
12 **enue collected from the sales and use taxes imposed under sections 7**
13 **and 8 of this 2022 Act in a suspense account established under ORS**
14 **293.445 for the purpose of receiving the revenue. The department may**
15 **pay expenses for the administration and enforcement of the sales and**
16 **use taxes out of moneys received from the taxes. Amounts necessary**
17 **to pay administrative and enforcement expenses are continuously ap-**
18 **propriated to the department from the suspense account.**

19 **“(2) After payment of administrative and enforcement expenses**
20 **under subsection (1) of this section and refunds or credits arising from**
21 **erroneous overpayments, the department shall transfer the balance**
22 **of the moneys received from the sales and use taxes to as follows:**

23 **“(a) Moneys attributable to the use tax imposed on motor vehicles**
24 **within the meaning of Article IX, section 3a (1)(b), of the Oregon**
25 **Constitution, shall be transferred to the State Highway Fund.**

26 **“(b) Moneys attributable to the sales and use taxes other than those**
27 **described in paragraph (a) of this subsection shall be transferred to the**
28 **Oregon Freedom Pilot Program Fund established under section 14 of**
29 **this 2022 Act.**

30 **“SECTION 14. (1) The Oregon Freedom Pilot Program Fund is es-**

1 **ablished in the State Treasury, separate and distinct from the General**
2 **Fund. Interest earned by the Oregon Freedom Pilot Program Fund**
3 **shall be credited to the fund.**

4 **“(2) Moneys in the Oregon Freedom Pilot Program Fund shall con-**
5 **sist of:**

6 **“(a) Amounts transferred to the fund under section 13 of this 2022**
7 **Act;**

8 **“(b) Amounts appropriated or otherwise transferred to the fund by**
9 **the Legislative Assembly;**

10 **“(c) Other amounts deposited in the fund from any source; and**

11 **“(d) Interest earned by the fund.**

12 **“(3) Moneys in the fund are continuously appropriated to the De-**
13 **partment of Human Services for the purpose of implementing the**
14 **Oregon Freedom Pilot Program established under section 1 of this 2022**
15 **Act.**

16 **“SECTION 15. (1)(a) Except as otherwise provided in sections 6 to**
17 **23 of this 2022 Act, the sales and use taxes imposed under sections 7**
18 **and 8 of this 2022 Act shall be collected at the point of sale and**
19 **remitted by each seller that engages in the retail sale of taxable luxury**
20 **goods.**

21 **“(b) Notwithstanding that the sales and use taxes are liabilities of**
22 **purchasers, each tax is considered a tax upon the seller that is re-**
23 **quired to collect the tax, and the seller is considered a taxpayer.**

24 **“(2) Each seller of taxable luxury goods that is liable for collection**
25 **of any amount of sales or use tax shall file a return with the Depart-**
26 **ment of Revenue, in the form and manner prescribed by the depart-**
27 **ment, on or before the last day of January, April, July and October**
28 **of each year for the previous calendar quarter. The return shall show**
29 **the amount of sales and use taxes due for retail sales made during the**
30 **calendar quarter to which the return relates.**

1 **“(3) Each seller shall pay the applicable sales and use taxes to the**
2 **department in the form and manner prescribed by the department, but**
3 **not later than the date of submitting each quarterly return, without**
4 **regard to extensions under subsection (4) of this section.**

5 **“(4) The department may extend the time for making any return**
6 **required under this section if a written request is filed with the de-**
7 **partment during or prior to the period for which the extension may**
8 **be granted. The department may not grant an extension of more than**
9 **30 days.**

10 **“(5) Interest shall be added to delinquent tax amounts at the rate**
11 **established under ORS 305.220 from the time the return to which the**
12 **delinquent tax amounts relate was originally required to be filed to the**
13 **time of payment.**

14 **“SECTION 16. (1) Every seller of taxable luxury goods who collects**
15 **any amount of sales or use taxes imposed under sections 7 and 8 of**
16 **this 2022 Act shall hold the amount in trust for the State of Oregon**
17 **and for payment to the Department of Revenue in the manner and at**
18 **the time provided in section 15 of this 2022 Act.**

19 **“(2) If a seller of taxable luxury goods fails to remit any amount**
20 **of sales or use taxes, whether collected or not, the department may**
21 **enforce collection by the issuance of a distraint warrant for the col-**
22 **lection of the delinquent amount and all penalties, interest and col-**
23 **lection charges accrued on the delinquent amount. The warrant shall**
24 **be issued and proceeded upon in the same manner and shall have the**
25 **same force and effect as is prescribed with respect to warrants for the**
26 **collection of delinquent income taxes.**

27 **“(3)(a) In the case of a seller that is assessed under the provisions**
28 **of ORS 305.265 (12) and 314.407 (1), the department may issue a notice**
29 **of liability to any officer, employee or member of the seller at any**
30 **time within three years after the assessment. Within 30 days after the**

1 date on which the notice of liability is mailed to the officer, employee
2 or member, the officer, employee or member shall pay the assessment,
3 plus penalties and interest, or advise the department in writing of ob-
4 jections to the liability and, if desired, request a conference. A con-
5 ference shall be governed by the provisions of ORS 305.265 pertaining
6 to a conference requested from a notice of deficiency.

7 “(b) After a conference or, if no conference is requested, a deter-
8 mination of the issues raised in the written objections, the department
9 shall mail the officer, employee or member a conference letter af-
10 firming, canceling or adjusting the notice of liability. Within 90 days
11 after the date on which the conference letter is mailed to the officer,
12 employee or member, the officer, employee or member shall pay the
13 assessment, plus penalties and interest, or appeal to the tax court in
14 the manner provided for an appeal from a notice of assessment.

15 “(c) If the department does not receive payment or written ob-
16 jection to the notice of liability within 30 days after the notice of li-
17 ability was mailed, the notice of liability becomes final. The officer,
18 employee or member may appeal the notice of liability to the tax court
19 within 90 days after the notice became final in the manner provided
20 for an appeal from a notice of assessment.

21 “(4)(a) In the case of a seller that fails to file a return on the due
22 date, in addition to any action described in the provisions of ORS
23 305.265 (10) and 314.400, the department may issue a notice of determi-
24 nation and assessment to any officer, employee or member of the
25 seller at any time within three years after the assessment. The time
26 of assessment against the officer, employee or member is 30 days after
27 the date on which the notice of determination and assessment is
28 mailed. Within 30 days after the date on which the notice of determi-
29 nation and assessment is mailed to the officer, employee or member,
30 the officer, employee or member shall pay the assessment, plus pen-

1 alties and interest, or advise the department in writing of objections
2 to the assessment and, if desired, request a conference. A conference
3 shall be governed by the provisions of ORS 305.265 pertaining to a
4 conference requested from a notice of deficiency.

5 “(b) After a conference or, if no conference is requested, a deter-
6 mination of the issues raised in the written objections, the department
7 shall mail or otherwise deliver the officer, employee or member a
8 conference letter affirming, canceling or adjusting the notice of de-
9 termination and assessment. Within 90 days after the date on which
10 the conference letter is mailed or otherwise delivered to the officer,
11 employee or member, the officer, employee or member shall pay the
12 assessment, plus penalties and interest, or appeal to the tax court in
13 the manner provided for an appeal from a notice of assessment.

14 “(c) If the department does not receive payment or written ob-
15 jection to the notice of determination and assessment within 30 days
16 after the notice of determination and assessment was mailed, the no-
17 tice of determination and assessment becomes final. The officer, em-
18 ployee or member may appeal the notice of determination and
19 assessment to the tax court within 90 days after the notice became
20 final in the manner provided for an appeal from a notice of assess-
21 ment.

22 “(5)(a) More than one officer or employee of a corporation may be
23 held jointly and severally liable for payment of the sales and use taxes.

24 “(b) Notwithstanding the confidentiality provisions of section 20 of
25 this 2022 Act, if the department determines that more than one officer
26 or employee of a corporation may be held jointly and severally liable
27 for payment of the sales and use taxes, the department may require
28 any or all of the officers or employees to appear before the department
29 for a joint determination of liability. The department shall notify each
30 officer or employee of the time and place set for the determination of

1 liability.

2 “(c) Each individual notified of a joint determination under this
3 subsection must appear and present such information as is necessary
4 to establish the individual’s liability or nonliability for payment of the
5 taxes to the department. If an individual who was notified fails to ap-
6 pear, the department shall make the determination on the basis of all
7 the information and evidence presented. The department’s determi-
8 nation is binding on all individuals notified and required to appear
9 under this subsection.

10 “(d)(A) If any individual determined to be liable for unpaid sales or
11 use taxes under this subsection appeals the determination to the
12 Oregon Tax Court under section 21 of this 2022 Act, the individual
13 plaintiff shall implead all individuals required to appear with the
14 plaintiff before the department under this subsection. The department
15 may implead any officer or employee who may be held jointly and se-
16 verally liable for the payment of the sales and use taxes. Each indi-
17 vidual impleaded under this paragraph shall be made a party to the
18 action before the tax court and shall make available to the tax court
19 the information that was presented before the department, as well as
20 other information that may be presented to the tax court.

21 “(B) The tax court may determine that one or more individuals
22 impleaded under this paragraph are liable for unpaid sales or use taxes
23 without regard to any earlier determination by the department that
24 an impleaded individual was not liable for the unpaid taxes.

25 “(C) If an individual required to appear before the tax court under
26 this subsection fails or refuses to appear or bring such information in
27 part or in whole, or is outside the jurisdiction of the tax court, the tax
28 court shall make its determination on the basis of all the evidence
29 introduced. Notwithstanding section 20 of this 2022 Act, the evidence
30 introduced in the tax court constitutes a public record and shall be

1 available to the parties and the tax court. The determination of the
2 tax court is binding on all individuals made parties to the action under
3 this subsection.

4 “(e) This subsection may not be construed to preclude a determi-
5 nation by the department or the tax court that more than one officer
6 or employee is jointly and severally liable for unpaid sales or use taxes.

7 “SECTION 17. Any purchaser liable for any amount of the sales or
8 use tax imposed under section 7 or 8 of this 2022 Act and from whom
9 the tax has not been collected shall, on or before the 30th day follow-
10 ing the date on which the tax became due, file with the Department
11 of Revenue a report of the amount of tax due from the purchaser in
12 a form and manner prescribed by the department. The purchaser shall
13 remit the amount of tax due with the report.

14 “SECTION 18. (1)(a) A seller of taxable luxury goods shall keep re-
15 ceipts, invoices and other pertinent records related to retail sales of
16 taxable luxury goods in the form required by the Department of Rev-
17 enue. Each record shall be preserved for five years from the time to
18 which the record relates, or for as long as the seller retains the taxable
19 luxury goods to which the record relates, whichever is later.

20 “(b) During the retention period and at any time prior to the de-
21 struction of records, the department may give written notice to the
22 seller not to destroy records described in the notice without written
23 permission of the department.

24 “(c) Notwithstanding any other provision of law, the department
25 shall preserve reports and returns filed with the department for at
26 least five years.

27 “(2) ORS 314.425 applies to the authority of the Department of
28 Revenue to examine, or cause to be examined by an agent or repre-
29 sentative designated by the department for the purpose, any books,
30 papers, records or memoranda bearing upon the matter required to be

1 included in any return required under sections 6 to 23 of this 2022 Act
2 for the purpose of ascertaining the correctness of the return or for the
3 purpose of making an estimate of the taxable sales of the taxpayer.

4 **“SECTION 19. (1) The Department of Revenue may, by order or**
5 **subpoena to be served with the same force and effect and in the same**
6 **manner as a subpoena is served in a civil action in the circuit court**
7 **or the Oregon Tax Court, require the production at any time and place**
8 **the department designates of any books, papers, accounts or other**
9 **information necessary to carry out sections 6 to 23 of this 2022 Act.**
10 **The department may require the attendance of any individual having**
11 **knowledge in the premises, and may take testimony and require proof**
12 **material for the information, with power to administer oaths to the**
13 **individual.**

14 **“(2)(a) If an individual fails to comply with a subpoena or order of**
15 **the department or to produce or permit the examination or inspection**
16 **of any books, papers, records and equipment pertinent to an investi-**
17 **gation or inquiry under sections 6 to 23 of this 2022 Act, or to testify**
18 **to any matter regarding which the individual is lawfully interrogated,**
19 **the department may apply to the Oregon Tax Court or to the circuit**
20 **court of the county in which the individual resides or where the indi-**
21 **vidual is for an order to the individual to attend and testify or other-**
22 **wise comply with the demand or request of the department.**

23 **“(b) The department shall apply to the court by ex parte motion,**
24 **upon which the court shall make an order requiring the individual**
25 **against whom the motion is directed to comply with the request or**
26 **demand of the department within 10 days after the service of the or-**
27 **der, or within the additional time granted by the court, or to justify**
28 **the failure within that time. The order shall be served upon the indi-**
29 **vidual to whom it is directed in the manner required by this state for**
30 **service of process, which is required to confer jurisdiction upon the**

1 **court.**

2 **“(3) Failure to obey any order issued by the court under this section**
3 **is contempt of court.**

4 **“(4) The remedy provided by this section is in addition to other**
5 **remedies, civil or criminal, existing under the tax laws or other laws**
6 **of this state.**

7 **“SECTION 20. Except as otherwise provided in sections 6 to 23 of**
8 **this 2022 Act or where the context requires otherwise, the provisions**
9 **of ORS chapters 305 and 314 as to the audit and examination of re-**
10 **turns, periods of limitation, determinations of and notices of defi-**
11 **ciencies, assessments, collections, liens, delinquencies, claims for**
12 **refund and refunds, conferences, appeals to the Oregon Tax Court,**
13 **stays of collection pending appeal, confidentiality of returns and the**
14 **related penalties, and the related procedures, apply to the determi-**
15 **nations of taxes, penalties and interest under sections 6 to 23 of this**
16 **2022 Act.**

17 **“SECTION 21. (1) Notwithstanding the confidentiality provisions of**
18 **section 20 of this 2022 Act, the Department of Revenue may disclose**
19 **information received under sections 6 to 23 of this 2022 Act to the De-**
20 **partment of Transportation for the purposes of carrying out the pro-**
21 **visions of sections 8 and 25 of this 2022 Act.**

22 **“(2) The Department of Transportation may disclose information**
23 **obtained under sections 8 and 25 of this 2022 Act to the Department**
24 **of Revenue for the purposes of carrying out the provisions of sections**
25 **6 to 23 of this 2022 Act.**

26 **“(3) Any officer or employee of the Department of Transportation**
27 **to whom information is disclosed under subsection (1) of this section**
28 **is not required to execute a certificate under ORS 314.840 (3)(a).**

29 **“(4) Except as otherwise provided in sections 6 to 23 of this 2022 Act,**
30 **a person aggrieved by an act or determination of the Department of**

1 Revenue or its authorized agent under sections 6 to 23 of this 2022 Act
2 may appeal, within 90 days after the act or determination, to the
3 Oregon Tax Court in the manner provided in ORS 305.404 to 305.560.
4 These appeal rights are the exclusive remedy available to determine
5 the person’s liability for the sales and use taxes.

6 **“SECTION 22. (1) The Department of Revenue shall administer and
7 enforce sections 6 to 23 of this 2022 Act.**

8 **“(2) The department may adopt or establish rules and procedures
9 that the department considers necessary or appropriate for the imple-
10 mentation, administration and enforcement of sections 6 to 23 of this
11 2022 Act and that are consistent with sections 6 to 23 of this 2022 Act.**

12 **“(3) The Department of Transportation shall enter into an agree-
13 ment with the Department of Revenue for purposes of the implemen-
14 tation, administration and enforcement by the Department of
15 Transportation of those provisions of section 25 of this 2022 Act, and
16 rules or procedures adopted or established by the Department of Rev-
17 enue under this section, that the Department of Transportation and
18 the Department of Revenue determine are necessary for the effective
19 and efficient implementation, administration and enforcement of sec-
20 tion 25 of this 2022 Act.**

21 **“SECTION 23. (1) The Department of Revenue and the Department
22 of Transportation shall enter into an agreement pursuant to which the
23 Department of Transportation shall assist the Department of Revenue
24 in the collection of the use tax imposed under section 8 of this 2022
25 Act and any other functions of the Department of Revenue under
26 sections 6 to 23 of this 2022 Act as may be provided under the agree-
27 ment.**

28 **“(2) The agreement is not intended to preclude performance by the
29 Department of Revenue of collection functions as from time to time
30 may be required, nor is the agreement intended to preclude the per-**

1 **formance of functions by the Department of Transportation, under**
2 **less formal arrangements made with the Department of Revenue, with**
3 **respect to the use tax imposed under section 8 of this 2022 Act if the**
4 **functions are not specifically mentioned in the agreement.**

5 **“(3) The Department of Transportation may contact, consult with**
6 **and enter into agreements with any public or private person for the**
7 **purpose of assisting the Department of Revenue in the collection of**
8 **the use tax under this section.**

9 **“(4) The collection of taxes under sections 6 to 23 of this 2022 Act**
10 **by the Department of Transportation does not render the Department**
11 **of Transportation or the agents and employees of the Department of**
12 **Transportation responsible for collection of the taxes.**

13 **“SECTION 24. Section 25 of this 2022 Act is added to and made a**
14 **part of the Oregon Vehicle Code.**

15 **“SECTION 25. (1) A person that purchases a motor vehicle in a sales**
16 **transaction that would be subject to the sales tax imposed under sec-**
17 **tion 7 of this 2022 Act if the sale had taken place in Oregon may not**
18 **register or title the motor vehicle in Oregon unless the person provides**
19 **proof that:**

20 **“(a) The person paid the use tax imposed under section 8 of this 2022**
21 **Act; or**

22 **“(b) The person is not required to pay the use tax for the reasons**
23 **provided in section 8 (4) of this 2022 Act.**

24 **“(2) The person shall provide the proof described in subsection (1)**
25 **of this section to the Department of Transportation in the manner**
26 **established by the department by rule.**

27 **“SECTION 26. ORS 822.043 is amended to read:**

28 **“822.043. (1) As used in this section:**

29 **“(a) ‘Integrator’ has the meaning given that term in ORS 802.600.**

30 **“(b) ‘Vehicle dealer’ means a person issued a vehicle dealer certificate**

1 under ORS 822.020.

2 “(2) A vehicle dealer that the Department of Transportation has desig-
3 nated to act as an agent of the department under ORS 802.031 may elect to
4 prepare, submit, or prepare and submit documents necessary to:

5 “(a) Issue or transfer a certificate of title for a vehicle;

6 “(b) Register a vehicle or transfer registration of a vehicle;

7 “(c) Issue a registration plate;

8 “(d) Verify and clear a title;

9 “(e) Perfect, release or satisfy a lien or other security interest;

10 “(f) Comply with federal security requirements; or

11 “(g) Render any other services for the purpose of complying with state
12 and federal laws related to the sale of a vehicle.

13 “(3) A vehicle dealer who prepares any documents described in subsection
14 (2) of this section:

15 “(a) May charge a purchaser of a vehicle a document processing fee for
16 the preparation of those documents.

17 “(b) May not charge a purchaser of a vehicle a document processing fee
18 for the submission of any document or the issuance of a registration plate.

19 “(c) May charge a purchaser of a vehicle a document processing fee for
20 performing any of the services described in subsection (2) of this section in
21 connection with preparing the documents described in subsection (2) of this
22 section.

23 “(4) A purchaser of a vehicle may negotiate the amount of the document
24 processing fee with a vehicle dealer, but in no case shall the document pro-
25 cessing fee charged by a vehicle dealer under this section exceed:

26 “(a) \$150, if the vehicle dealer uses an integrator; or

27 “(b) \$115, if the vehicle dealer does not use an integrator.

28 “(5) If a vehicle dealer charges a document processing fee under sub-
29 section (4)(a) of this section, of the amount collected \$25 shall be paid to the
30 integrator.

1 “(6) Unless otherwise provided by rule, if a vehicle dealer uses an
2 integrator and charges a document processing fee greater than that charged
3 for not using an integrator, the dealer must inform the purchaser of the ve-
4 hicle of the option of using an integrator to prepare the documents. The
5 purchaser may then elect whether or not to have the vehicle dealer use an
6 integrator to prepare the documents.

7 “(7) If the purchaser of a vehicle pays a document processing fee, the ve-
8 hicle dealer shall prepare and submit all documents to complete the trans-
9 action as permitted by law.

10 “(8)(a) A vehicle dealer [*who*] **that** collects the privilege tax imposed un-
11 der ORS 320.405 from the purchaser of a taxable motor vehicle may collect
12 the privilege tax at the same time and in the same manner as the vehicle
13 dealer collects document processing fees under this section. The amount of
14 the privilege tax shall be in addition to and not in lieu of document pro-
15 cessing fees collected under this section.

16 “**(b) A vehicle dealer that collects the sales tax imposed under sec-**
17 **tion 7 of this 2022 Act from the purchaser of a motor vehicle may**
18 **collect the sales tax at the same time and in the same manner as the**
19 **vehicle dealer collects document processing fees under this section.**
20 **The amount of the sales tax shall be in addition to and not in lieu of**
21 **document processing fees collected under this section.**

22 “[*b*)] **(c)** A vehicle dealer may exclude the amount of the privilege tax
23 **and the sales tax** from the capitalized cost and offering price of a
24 [*taxable*] motor vehicle **subject to the taxes.** [*as those terms are defined*]
25 **‘Capitalized cost’ and ‘offering price’ have the meanings given those**
26 **terms** by the Department of Justice by rule.

27 “**SECTION 27. (1) Sections 6 to 25 of this 2022 Act and the amend-**
28 **ments to ORS 822.043 by section 26 of this 2022 Act become operative**
29 **on January 1, 2023.**

30 “**(2) The Department of Revenue and the Department of Transpor-**

1 **tation shall take all actions before the operative date specified in**
2 **subsection (1) of this section that are necessary for the departments**
3 **to exercise, on and after the date specified in subsection (1) of this**
4 **section, all of the authority, duties and functions conferred on the**
5 **departments by sections 6 to 25 of this 2022 Act and the amendments**
6 **to ORS 822.043 by section 26 of this 2022 Act.**

7 **“SECTION 28. Sections 6 to 25 of this 2022 Act and the amendments**
8 **to ORS 822.043 by section 26 of this 2022 Act apply to sales of taxable**
9 **luxury goods occurring on or after January 1, 2023, and before January**
10 **1, 2027.**

11 **“SECTION 29. Sections 6 to 25 of this 2022 Act are repealed on**
12 **January 2, 2027.**

13 **“SECTION 30. ORS 822.043, as amended by section 26 of this 2022 Act,**
14 **is amended to read:**

15 “822.043. (1) As used in this section:

16 “(a) ‘Integrator’ has the meaning given that term in ORS 802.600.

17 “(b) ‘Vehicle dealer’ means a person issued a vehicle dealer certificate
18 under ORS 822.020.

19 “(2) A vehicle dealer that the Department of Transportation has desig-
20 nated to act as an agent of the department under ORS 802.031 may elect to
21 prepare, submit, or prepare and submit documents necessary to:

22 “(a) Issue or transfer a certificate of title for a vehicle;

23 “(b) Register a vehicle or transfer registration of a vehicle;

24 “(c) Issue a registration plate;

25 “(d) Verify and clear a title;

26 “(e) Perfect, release or satisfy a lien or other security interest;

27 “(f) Comply with federal security requirements; or

28 “(g) Render any other services for the purpose of complying with state
29 and federal laws related to the sale of a vehicle.

30 “(3) A vehicle dealer who prepares any documents described in subsection

1 (2) of this section:

2 “(a) May charge a purchaser of a vehicle a document processing fee for
3 the preparation of those documents.

4 “(b) May not charge a purchaser of a vehicle a document processing fee
5 for the submission of any document or the issuance of a registration plate.

6 “(c) May charge a purchaser of a vehicle a document processing fee for
7 performing any of the services described in subsection (2) of this section in
8 connection with preparing the documents described in subsection (2) of this
9 section.

10 “(4) A purchaser of a vehicle may negotiate the amount of the document
11 processing fee with a vehicle dealer, but in no case shall the document pro-
12 cessing fee charged by a vehicle dealer under this section exceed:

13 “(a) \$150, if the vehicle dealer uses an integrator; or

14 “(b) \$115, if the vehicle dealer does not use an integrator.

15 “(5) If a vehicle dealer charges a document processing fee under sub-
16 section (4)(a) of this section, of the amount collected \$25 shall be paid to the
17 integrator.

18 “(6) Unless otherwise provided by rule, if a vehicle dealer uses an
19 integrator and charges a document processing fee greater than that charged
20 for not using an integrator, the dealer must inform the purchaser of the ve-
21 hicle of the option of using an integrator to prepare the documents. The
22 purchaser may then elect whether or not to have the vehicle dealer use an
23 integrator to prepare the documents.

24 “(7) If the purchaser of a vehicle pays a document processing fee, the ve-
25 hicle dealer shall prepare and submit all documents to complete the trans-
26 action as permitted by law.

27 “(8)(a) A vehicle dealer that collects the privilege tax imposed under ORS
28 320.405 from the purchaser of a taxable motor vehicle may collect the privi-
29 lege tax at the same time and in the same manner as the vehicle dealer
30 collects document processing fees under this section. The amount of the

1 privilege tax shall be in addition to and not in lieu of document processing
2 fees collected under this section.

3 “*[(b) A vehicle dealer that collects the sales tax imposed under section 7*
4 *of this 2022 Act from the purchaser of a motor vehicle may collect the sales tax*
5 *at the same time and in the same manner as the vehicle dealer collects docu-*
6 *ment processing fees under this section. The amount of the sales tax shall be*
7 *in addition to and not in lieu of document processing fees collected under this*
8 *section.]*

9 “[*(c)*] **(b)** A vehicle dealer may exclude the amount of the privilege tax
10 [*and the sales tax*] from the capitalized cost and offering price of a **taxable**
11 motor vehicle [*subject to the taxes*]. ‘Capitalized cost’ and ‘offering price’
12 have the meanings given those terms by the Department of Justice by rule.

13 **“SECTION 31. The amendments to ORS 822.043 by section 30 of this**
14 **2022 Act become operative on January 1, 2027.**

15 **“SECTION 32. (1) There is appropriated to the Department of Hu-**
16 **man Services, for the biennium ending June 30, 2023, out of the Gen-**
17 **eral Fund, the amount of \$_____ for the purpose of carrying out the**
18 **provisions of section 1 of this 2022 Act.**

19 **“(2) When the department determines that moneys in sufficient**
20 **amount are available in the Oregon Freedom Pilot Program Fund es-**
21 **tablished in section 14 of this 2022 Act, but in no event later than June**
22 **30, 2025, the department shall reimburse the General Fund without**
23 **interest, in an amount equal to the amount from the General Fund**
24 **appropriated and expended as provided in subsection (1) of this section.**
25 **The moneys used to reimburse the General Fund under this subsection**
26 **shall not be considered as a budget item on which a limitation is oth-**
27 **erwise fixed by law, but shall be in addition to any specific biennial**
28 **appropriations or amounts authorized to be expended from contin-**
29 **uously appropriated moneys for any biennial period.**

30 **“SECTION 33. This 2022 Act takes effect on the 91st day after the**

1 **date on which the 2022 regular session of the Eighty-first Legislative**
2 **Assembly adjourns sine die.”**

3 _____