

1 **BEFORE THE BOARD OF COUNTY COMMISSIONERS**

2 **FOR MULTNOMAH COUNTY, OREGON**

3 **ORDINANCE NO. 897**

4 An ordinance amending Multnomah County Business Income Tax MCC 5.60 to incorporate
5 technical and housekeeping changes.

6 (Stricken language in brackets [] is to be deleted; underlined language is new.)

7 Section I. Findings

8 A) In June 1993, the Board of County Commissioners adopted a new Business
9 Income Tax Law under MCC 5.60 to achieve code conformity with the City of Portland
10 Business License Law.

11 B) Since the adoption of the Business Income Tax, including amendments, staff has
12 discovered instances where code language should be clarified to ease administration and
13 simplify compliance for the business community. This includes elimination of a burdensome
14 penalty for underpayment of quarterly estimated payments.

15 C) Since the adoption, a number of new business entity types have been authorized
16 by the State Legislature. The Business Income Tax Law needs to add references for these
17 entities to ensure understanding and compliance.

18 D) The Finance Division along with the City of Portland's Bureau of Licenses and
19 City Attorney's Office staff have reviewed these changes to ensure code conformity with the
20 City of Portland Business License Law. The City of Portland Council has approved the code
21 changes.

1 Section II. Amendments to Chapter 5.60.

2 MCC 5.60 is amended as follows:

3 **5.60.020 Conformity to State Income Tax Laws.**

4 The Business Income Tax Law shall be construed in conformity with the laws and
5 regulations of the State of Oregon imposing taxes on or measured by net income. Any
6 reference in this Chapter to the laws of the State of Oregon means the laws of the State of
7 Oregon imposing taxes on or measured by net income as they are amended on or before ~~June~~
8 ~~30, 1993~~ December 31, 1997. The Administrator shall have the authority by administrative
9 rule(s) adopted in accordance with Section 5.60.210, to connect to and/or disconnect from any
10 legislative enactment that deals with income or excise taxation or the definition of income.

11 Should a question arise under the Business Income Tax Law on which this Chapter is
12 silent, the Administrator may look to the laws of the State of Oregon for guidance in resolving
13 the question, provided that the determination under State law is not in conflict with any
14 provision of this Chapter or the State law is otherwise inapplicable.

15 **5.60.~~1030~~220 Presumption of Doing Business.**

16 A person is presumed to be doing business in the County and subject to this Chapter if
17 engaged in any of the following activities:

- 18 (A) Advertising or otherwise professing to be doing business within the County; or
19 (B) Delivering goods or providing services to customers within the County; or
20 (C) Owning, leasing or renting personal or real property within the County which is
21 used in a trade or business~~[]~~; or
22 (D) Engaging in any transaction involving the production of income from holding

1 property or the gain from the sale of property, which is not otherwise exempted
2 in this Chapter. Property may be personal, including intangible, or real in
3 nature; or

4 (E) Engaging in any activity in pursuit of gain which is not otherwise exempted in
5 this Chapter.

6 **5.60.100 Definitions.**

7 For the purpose of this Chapter, the terms used in this Chapter shall be defined as
8 provided in this Chapter or in Administrative Rules, adopted under Section 5.60.210 unless the
9 context requires otherwise:

10 (A) *Business* means an enterprise, activity, profession or undertaking of any nature,
11 whether related or unrelated, by a person in the pursuit of profit, gain or the
12 production of income ~~doing business~~, including services performed by an
13 individual for remuneration, but does not include wages earned as an employee.

14 (B) *Doing business* means to engage in any activity in pursuit of profit or gain,
15 including but not limited to, any transaction involving the holding, sale, rental
16 or lease of property, the manufacture or sale of goods or the sale or rendering of
17 services other than as an employee. ~~To do~~ Doing business includes activities
18 carried on by a person through officers, agents or employees as well as activities
19 carried on by a person on his or her own behalf.

20 (C) *Employee* means any individual who performs services for another individual or
21 organization having the right to control the employee as to the services to be
22 performed and as to the manner of performance.

- 1 (D) *Person* includes, but is not limited to, a natural person, proprietorship,
2 partnership, limited partnership, family limited partnerships, joint venture,
3 association, cooperative, trust, estate, corporation, personal holding company,
4 limited liability company, limited liability partnership or any other form of
5 organization for doing business.
- 6 (E) *Taxfiler* means a person doing business in the County and required to file a
7 return under the Business Income Tax Law.
- 8 (F) *Individual* means a natural person.
- 9 (G) *Controlling Shareholder* means any person, either alone or together with that
10 person's spouse, parents, and children, who, directly or indirectly, owns more
11 than 5 percent of any class of outstanding stock or securities of the taxfiler. The
12 term "controlling shareholder" may mean the controlling shareholders
13 individually or in the aggregate.
- 14 (H) *Ownership of Outstanding Stock or Securities* means the incidents of ownership
15 which include the power to vote on the corporation's business affairs or for the
16 directors, officers, operators or other managers of the taxfiler.
- 17 (I) *Nonbusiness Income* means income not created in the course of the taxfiler's
18 business activities.
- 19 (J) *Net Operating Loss* means the negative taxable income that may result after the
20 deductions allowed by the Business Income Tax Law in determining net income
21 for the tax year.
- 22 (K) *Notice* means a written document mailed first class by the Administrator or

1 Division to the last known address of a taxfiler as provided to the Administrator
2 or Division in the latest tax return on file with the Administrator.

3 (L) *Received* means the postmark date affixed by the United States Postal Service if
4 mailed or the date stamp if delivered by hand or sent by facsimile.

5 (M) *Tax Year* means the taxable year of a person for Federal and/or State income tax
6 purposes.

7 (N) *Division* means the Finance Division of Multnomah County, Oregon.

8 (O) *Director* means the Director of the Finance Division.

9 (P) *Administrator* means the Bureau of Licenses, City of Portland, Oregon along
10 with its employees and agents.

11 (Q) *Appeals Board* means the hearings body designated by the Multnomah County
12 Board of Commissioners to review taxfiler appeals from final determinations by
13 the Administrator.

14 **5.60.110. Income Defined.**

15 *Income* means the net income arising from any business, as ~~[required to be]~~ report~~ed~~
16 able to the State of Oregon for personal income, corporation excise, or income tax purposes,
17 before any allocation or apportionment for operation out of state, or deduction for a net
18 operating loss carry-forward or carry-back.

19 (A) Partnerships, S corporations, limited liability companies, limited liability
20 partnerships, family limited partnerships, estates and trusts, shall be liable for
21 the business tax and not the individual partners, shareholders, members or
22 beneficiaries. The income of these entities ~~[partnerships, S corporations, estates~~

1 and trusts] shall include all income [passing through] received by the entity
2 including ordinary income, interest and dividend income, income from sales of
3 business assets and other income attributable to the [partnership, S corporation,
4 estate or trust] entity.

5 (B) If one or more persons are required or elect to report their income to the State
6 of Oregon for corporation excise or income tax purposes or personal income tax
7 purposes in a consolidated, combined or joint return, a single return shall be
8 filed by the person filing such return. In such cases, "income" means the net
9 income of the consolidated, combined or joint [affiliated] group of taxfilers
10 [who are carrying on a single unitary business] before any allocation or
11 apportionment for operation out of the state, or deduction for a net operating
12 loss carry-forward or carry-back.

13 (C) The absence of reporting income to the Internal Revenue Service or the State of
14 Oregon shall not limit the ability of the Administrator to determine the correct
15 income of the taxfiler through examination under Section 5.60.260.

16 **5.60.200 Administration.**

17 The City of Portland, Bureau of Licenses shall be the Administrator of record effective
18 January 1, 1994 and shall have the authority to administer and enforce this Chapter to include,
19 but not limited to, administrative return processing, auditing, determinations, collection of
20 taxes, penalties and interest, protests and appeals that occur on or after January 1, 1994.

21 The Administrator shall have access to and maintain all tax filings and records, under
22 this Chapter, on behalf of the County. The Administrator may, upon request, interpret how

1 the Multnomah County Business Income Tax Law applies, in general or for a certain set of
2 circumstances. Nothing in this Chapter shall preclude the informal disposition of controversy
3 by stipulation or agreed settlement, through correspondence or a conference with the
4 Administrator.

5 **5.60.22⁰¹⁵ Ownership of Taxfiler Information.**

6 Multnomah County shall be the sole owner of all filer information under the authority
7 of this chapter. The Director or Director's designee shall have access to all filer information at
8 all times.

9 **5.60.280 Deficiencies and Refunds.**

10 (A) Deficiencies may be assessed and refunds granted any time within the period
11 provided under ORS 314.410, ORS 314.415, and ORS 317.950. The Administrator may by
12 agreement with the taxfiler extend such time periods to the same extent as provided by statute.

13 (B) Notwithstanding subsection (A), if no tax return is filed, the Administrator may
14 determine taxes due under this Chapter at any time based on the best information available to
15 the Administrator. Taxes determined under this subsection shall be assessed and subject to
16 penalties and interest from the date the taxes should have been paid as provided in Section
17 5.60.510 in accordance with Sections 5.60.700 and 5.60.710. The Administrator shall send
18 notice of the determination and assessment to the person doing business in the County.

19 (C) Consistent with ORS 314.410 (3), in cases where no tax return has been filed,
20 there shall be no time limit for a notice of deficiency and/or the assessment of taxes, penalty
21 and interest due.

1 **5.60.400 Exemptions.**

2 (F) Any individual whose only business transactions [in the County] are exclusively
3 limited to the following activities:

4 (1) Sales, exchanges or involuntary conversions of real property not held for
5 sale in the ordinary course of a trade or business, unless the real
6 property is used in the trade or business in connection with the
7 production of income; or

8 (2) The sale of personal property acquired for household or other personal
9 use by the seller; or

10 (3) (a) Interest and dividend income earned from investments if the
11 income is not created in the course of or related to the taxfiler's
12 business activities; or

13 (b) Gains and losses incurred from the sale of assets which are not a
14 part of a trade or business; or

15 (4) The renting or leasing of residential real property, if the beneficial owner
16 of such real property does not rent or lease more than nine dwelling
17 units, at least one of which is within the County.

18 (G) Any person whose only business transactions [in the County] are exclusively
19 limited to the following activities:

20 (1) Raising, harvesting and selling of the person's own crops, or the
21 feeding, breeding, management and sale of the person's own livestock,
22 poultry, furbearing animals or honeybees, or sale of the produce thereof,

1 or any other agricultural, horticultural or animal husbandry activity
2 carried on by any person on said person's own behalf and not for others,
3 or dairying and the sale of dairy products to processors. This exemption
4 shall not apply if, in addition to the farm activities described in this
5 subsection, the person does any processing of the person's own farm
6 products which changes their character or form, or the person's business
7 includes the handling, preparation, storage, processing or marketing of
8 farm products raised or produced by others; or the processing of milk or
9 milk products whether produced by said person or by others for retail or
10 wholesale distribution.

11 (2) Operating within a permanent structure a display space, booth or table
12 for selling or displaying merchandise by an affiliated participant at any
13 trade show, convention, festival, fair, circus, market, flea market,
14 swapmeet or similar event for less than 14 days in any tax year.

15 **5.60.550 Presumptive Tax.**

16 (A) If a person fails to file a return, a rebuttable presumption shall exist that the tax
17 payable amounts to \$500 for every tax year for which a return has not been filed.

18 (B) Nothing in this Section shall prevent the Administrator from assessing, under
19 Section[s] 5.60.280(B) [or 5.60.710(B)] a tax due [in excess of] which is less than or greater
20 than \$500 per tax year.

21 **5.60.600 Income Determinations.**

22 (B) *Partnerships.* In determining income, no deduction shall be allowed for any

1 compensation for services rendered by, or interest paid to, owners of partnerships, limited
2 partnerships, limited liability companies, limited liability partnerships or family limited
3 partnerships. Guaranteed payments to partners or members shall be deemed compensation
4 paid to owners for services rendered. However:

5 (1) For general partners or members, 75 percent of income determined without such
6 deductions shall be allowed as an additional deduction, not to exceed \$50,000
7 per general partner or members.

8 (2) For limited partners or members of LLCs who are deemed limited partners by
9 administrative rule or policy, 75 percent of income determined without such
10 deductions shall be allowed as an additional deduction, not to exceed the lesser
11 of actual compensation and interest paid or \$50,000 per compensated limited
12 partner.

13 (C) *Corporations.* In determining income, no deduction shall be allowed for any
14 compensation for services rendered by, or interest paid to, controlling shareholders of any
15 corporation, including, but not limited to C and S corporations and any other entity electing
16 treatment as a corporation, either C or S. However, 75 percent of the corporation's income,
17 determined without deduction of compensation or interest, shall be allowed as a deduction in
18 addition to any other allowable deductions, not to exceed the lesser of the actual compensation
19 and interest paid or \$50,000 for each controlling shareholder.

20 (1) For purposes of this subsection, to calculate the compensation for services
21 rendered by or interest paid to controlling shareholders that must be added back
22 to income, wages, salaries, fees, or interest paid to all persons meeting the

1 definition of a controlling shareholder, must be included.

2 (2) For purposes of this subsection, in determining the number of controlling
3 shareholders, a controlling shareholder and that person's spouse, parents and
4 children count as one owner, unless such spouse, parent or child individually
5 own more than 5 percent ownership of outstanding stock or securities in their
6 own name. In that case, each spouse, parent or child who owns more than 5
7 percent of stock shall be deemed to be an additional controlling shareholder.

8 (3) For purposes of this subsection, joint ownership of outstanding stock or
9 securities shall not be considered separate ownership.

10 (D) *Estates and Trusts.* In determining income for estates and trusts, income shall be
11 measured before distribution of profits to beneficiaries. No additional deduction shall be
12 allowed.

13 (E) *Nonbusiness Income.* In determining income under this Section, [a deduction]
14 an allocation shall be allowed for nonbusiness income as reported to the State of Oregon
15 However, income treated as nonbusiness income for State of Oregon tax purposes may not
16 necessarily be defined as nonbusiness income under the Business Income Tax Law. Interest
17 and dividend income, rental income or losses from real and personal business property, and
18 gains or losses on sales of property or investments owned by a trade or business shall be
19 treated as business income for purposes of the Business Income Tax Law. Income derived
20 from non-unitary business functions reported at the State of Oregon level [shall] may be
21 considered nonbusiness income. Non-unitary income will not be recognized at an intrastate
22 level. The taxfiler shall have the burden of showing that income is nonbusiness income.

1 (F) *Taxes Based on or Measured by Net Income.* In determining income, no
2 deduction shall be allowed for taxes based on or measured by net income. No deduction shall
3 be allowed for the federal built-in gains tax.

4 (G) *Ordinary Gain or Loss.* In determining income, gain or loss from the sale,
5 exchange or involuntary conversion of real property or tangible and intangible personal
6 property not exempt under Section 5.60.400(F) shall be included as ordinary gain or loss.

7 (H) *Net Operating Loss.* In determining income, a deduction shall be allowed equal
8 to the aggregate of the net operating losses incurred in prior years, not to exceed 75 percent of
9 the income determined for the current tax year before this deduction but after all other
10 deductions from income allowed by this Section and apportioned for business activity both
11 within and without Multnomah County.

12 (1) When the operations of the taxfiler from doing business both within and without
13 the County result in a net operating loss, such loss shall be apportioned in the
14 same manner as the net income under Section 5.60.610. However, in no case
15 shall a net operating loss be carried forward from any tax year during which the
16 taxfiler conducted no business within the County or the taxfiler was otherwise
17 exempt from tax filing requirements.

18 (2) In computing the net operating loss for any tax year, the net operating loss of a
19 prior tax year shall not be allowed as a deduction.

20 (3) In computing the net operating loss for any tax year, no compensation allowance
21 deduction shall be allowed to increase the net operating loss. "Compensation
22 allowance deduction" is defined as the additional deduction allowed by Section

1 5.60.600 A, B and C.

2 ([3]4) The net operating loss of the earliest tax year available shall be exhausted before
3 a net operating loss from a later tax year may be deducted.

4 ([4]5) The net operating loss in any tax year shall be allowed as a deduction in any of
5 the 5 succeeding tax years until used or expired. Any partial tax year shall be
6 treated the same as a full tax year in determining the appropriate carry-forward
7 period.

8 **5.60.610 Apportionment of Income.**

9 (A) *Business activity* means any of the elements of doing business. However, a
10 person shall not be considered to have engaged in business activities solely by reason of sales
11 of tangible personal property in any state or political subdivision, or solely the solicitation of
12 orders for sales of tangible personal property in any state or political subdivision. Business
13 activities conducted on behalf of a person by independent contractors are not considered
14 business activities by the person in any state or political subdivision.

15 (B) Any taxfiler having income from business activity both within and without the
16 County shall in computing the tax, determine the income apportioned to the County by
17 multiplying the total net income from the taxfiler's business by a fraction, the numerator of
18 which is the total gross income of the taxfiler from business activity in the County during the
19 tax year, and the denominator of which is the total gross income of the taxfiler from business
20 activity everywhere during the tax year.

21 (C) In determining the apportionment of gross income within the County under
22 subsection (B):

1 (1) Sales of tangible personal property shall be deemed to take place in the County
2 if the property is delivered or shipped to a purchaser within the County
3 regardless of the f.o.b. point or other conditions of sale. Sales of tangible
4 personal property shipped from the County to a purchaser located where the
5 taxfiler is not taxable shall not be apportioned to the County.

6 (2) Sales other than sales of tangible personal property shall be deemed to take place
7 in the County, if the income producing activity is performed in the County or
8 the income producing activity is performed both in and outside the County and a
9 greater portion of the income producing activity is performed in the County than
10 outside the County based on costs of performance.

11 (D) Certain industries or incomes shall be subject to specific apportionment and/or
12 allocation methodologies. Such methodologies shall be described in administrative rules
13 adopted in accordance with Section 5.60.210. Industry specific or income specific
14 apportionment methodologies required by Oregon Revised Statutes shall be used in cases
15 where no rule has been adopted by the Administrator regarding the apportionment of such
16 industry or income. In those specific cases where Oregon has directed allocation of income,
17 such income shall be apportioned for purposes of this Chapter, unless allocation is otherwise
18 allowed in this Chapter.

19 (~~D~~ ^E) If the apportionment provisions of subsection (B) do not fairly represent the
20 extent of the taxfiler's business activity in the County and result in the violation of the
21 taxfiler's rights under the Constitution of this State or the United States, the taxfiler may
22 petition the Administrator to permit the taxfiler to:

1 (1) Utilize the method of allocation and apportionment used by the taxfiler under the
2 applicable laws of the State of Oregon imposing taxes upon or measured by net
3 income; or

4 (2) Utilize any other method to effectuate an equitable apportionment of the
5 taxfiler's income.

6 **5.60.620 Changes to Federal or State Tax Returns.**

7 (A) If a taxfiler's reported net income under applicable Oregon laws imposing a tax
8 on or measured by income is changed by the Federal Internal Revenue Service or the Oregon
9 Department of Revenue, or amended by the taxfiler to correct an error in the original Federal
10 or State return, a report of such change shall be filed with the Administrator within 60 days
11 after the date of the notice of the final determination of change or after an amended return is
12 filed with the Federal or State agencies. The report shall be accompanied by an amended tax
13 return with respect to such income and by any additional tax, penalty, and interest due .

14 (B) The Administrator may assess deficiencies and grant refunds resulting from
15 changes [in] to Federal, [or] State or business income tax returns within the time periods
16 provided for in Section 5.60.280, treating the report of change in Federal, [or] State or
17 business income tax returns as the filing of an amended tax return.

18 (C) The Administrator may assess penalties and interest on the additional tax due as
19 provided in Section 5.60.700(A) and 5.60.710(A) or may refuse to grant a refund of taxes as a
20 result of the amended return if the amended return is not filed with the Administrator within
21 the time limits set forth in subsection (A).

1 **5.60.700 Penalties.**

2 (A) A penalty shall be assessed if a person:

- 3 (1) (a) Fails to file a tax return or extension request at the time required under
4 Section 5.60.510 (A) or 5.60.620 (A); or
5 (b) Fails to pay a tax when due.

6 (2) The penalty under subsection (A) shall be calculated as:

- 7 (a) Five percent (0.05) of the total tax liability if the failure is for a period
8 less than four (4) months;
9 (b) An additional penalty of 20 percent (0.20) of the total tax liability if the
10 failure is for a period of four (4) months or more; and
11 (c) An additional penalty of 100 percent (1.00) of the total tax liability of all
12 taxyears if the failure to file is for three (3) or more consecutive tax
13 years.

14 (B) A penalty shall be assessed if a person who has filed an extension request:

- 15 (1) (a) Fails to file a tax return by the extended due date; or
16 (b) Fails to pay the tax liability by the extended due date.

17 (2) The penalty under subsection (B) shall be calculated as:

- 18 (a) Five percent (0.05) of the total tax liability if the failure is for a period
19 less than four (4) months; and
20 (b) An additional penalty of 20 percent (0.20) of the total tax liability if the
21 failure is for a period of four (4) months or more.

22 (C) A penalty shall be assessed if a person:

1 (1) (a) Fails to pay at least 90 percent (0.90) of the total tax liability by the
2 original due date; or

3 (b) Fails to pay at least 100 percent (1.00) of the prior year's total tax
4 liability by the original due date;

5 (2) The penalty under subsection (C) shall be calculated as:

6 (a) Five percent (0.05) of the tax underpayment if the failure is for a period
7 less than 4 months; and

8 (b) An additional penalty of 20 percent (0.20) of the tax underpayment if the
9 failure is for a period of four (4) months or more.

10 [(D) A penalty shall be assessed if a person underpays any quarterly estimated tax
11 under Sections 5.60.520 and 5.60.530. The penalty shall be calculated as:

12 (1) Five percent (0.05) of the tax underpayment if the failure is for a period less
13 than four (4) months; and

14 (2) An additional penalty of 20 percent (0.20) of the tax underpayment if the failure
15 is for a period of four (4) months or more.

16 (E) Notwithstanding subsection (D), there shall be no penalty on any underpayment
17 of the estimated tax if:

18 (1) The total tax liability of the prior tax year was less than \$1,000; or

19 (2) An amount equal to at least 90 percent (0.90) of the total tax liability for the
20 current taxable year was paid in accordance with Section 5.60.530; or

21 (3) An amount equal to at least 100 percent (1.00) of the prior year's total tax
22 liability was paid in accordance with Section 5.60.530.]

1 ~~(F)~~ **(D)** The Administrator may impose a civil penalty of up to \$500 for each of the
2 following violations of the Business Income Tax Law:

3 (1) Failure to file any tax return within 90 days of the Administrator's original
4 written notice to file;

5 (2) Failure to pay any tax within 90 days of the Administrator's original written
6 notice for payment; or

7 (3) Failure to provide documents as required by Section 5.60.260 within 90 days of
8 the Administrator's original written notice to provide documents.

9 ~~(G)~~ **(E)** The Administrator may impose a civil penalty, under subsection ~~[(F)]~~ **(D)** only
10 if the Administrator gave notice of the potential for assessment of civil penalties for failure to
11 comply or respond in the original written notice.

12 ~~(H)~~ **(F)** The Administrator may waive or reduce any penalty determined under
13 subsections (A) through (D) for good cause, according to and consistent with written policies.

14 **5.60.710 Interest.**

15 (A) Interest shall be collected on any unpaid tax at the rate of .833 percent simple
16 interest per month or fraction thereof (10 percent per annum), computed from the original due
17 date of the tax to the 15th day of the month following the date of payment.

18 (B) (1) Interest shall be collected on any unpaid or underpaid quarterly estimated
19 payment required by Section 5.60.520 and 5.60.530 at the rate of .833 percent simple interest
20 per month or fraction thereof (10 percent per annum), computed from the due date of each
21 quarterly estimated payment to the original due date of the tax return to which the estimated
22 payments apply.

1 (2). Notwithstanding subsection (B) 1., there shall be no interest on underpayment of
2 quarterly estimated payments if:

3 (a) The total tax liability of the prior tax year was less than \$1,000; or

4 (b) An amount equal to at least 90 percent (0.90) of the total tax liability for
5 the current tax year paid in accordance with Section 5.60.530; or

6 (c) An amount equal to at least 100 percent (1.00) of the prior year's total
7 tax liability was paid in accordance with Section 5.60.530.

8 (3) For purposes of subsection (B) 1., the amount of underpayment is determined by
9 comparing the 90 percent of the current total tax liability amount to quarterly estimated
10 payments made prior to the original due date of the tax return.

11 ~~(B)~~ (C) If a person fails to file a tax return on the prescribed date, or any extension
12 thereof granted under Section 5.60.510 (B), the Administrator may determine the tax due based
13 on the best information available to the Administrator. If the Administrator determines the tax
14 due under this subsection, the Administrator shall assess appropriate penalties and interest and
15 shall send notice to such person of the determination and assessment.

16 ~~(C)~~ (D) For purposes of subsection (A) of this Section, the amount of tax due on
17 the tax return shall be reduced by the amount of any tax payment made on or before the date
18 for payment of the tax in accordance with Section 5.60.510 (A) or 5.60.530 .

19 ~~(D)~~ (E) Interest at the rate specified in subsection (A) of this Section shall accrue from
20 the original due date without regard to any extension of the filing date.

21 (F) Any interest amounts properly assessed in accordance with this section may not
22 be waived or reduced by the Administrator, unless specifically provided for by

1 written policy.

2 **5.60.720 Interest on Refunds.**

3 When, under a provision of the Business Income Tax Law, taxfilers are entitled to a
4 refund of a portion or all of a tax paid to the Administrator, they shall receive simple interest
5 on such amount at the rate specified in Section 5.60.710(A), subject to the following:

6 (A) Any overpayments shall be refunded with interest for each month or fraction
7 thereof for a period beginning four (4) months after the due date or the date the tax was paid,
8 whichever is later, to the date of the refund; and

9 (B) Any overpayments of estimated tax shall be refunded with interest for each
10 month or fraction thereof for the period beginning four (4) months after the date the [amended
11 or] final return was filed. [This subsection shall apply to returns that are amended due to a
12 change in the Federal or State of Oregon tax returns.]

13 (C) Any overpayments of taxes that are the result of an amended return being filed
14 shall be refunded with interest for each month or fraction thereof for the period beginning four
15 (4) months after the date the amended return was filed. This subsection shall apply to
16 applications that are amended due to a change to the federal, state or business income tax
17 return.

18
19 Section III. Effective Date

20 All amendments in this ordinance are effective for tax years beginning on or after
21 January 1, 1997.

1
2 Adopted this 8th day of January, 1998, being the date of its second reading before
3 the Board of County Commissioners of Multnomah County, Oregon.



BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON


Beverly Stein, Chair

10 REVIEWED:
11 THOMAS SPONSLOR, COUNTY COUNSEL
12

13 By 
14 Sandra Duffy, Assistant County Counsel

15 December 30, 1997