

# A-Engrossed Senate Bill 1510

Ordered by the Senate February 19  
Including Senate Amendments dated February 19

Printed pursuant to Senate Interim Rule 213.28 by order of the President of the Senate in conformance with pre-session filing rules, indicating neither advocacy nor opposition on the part of the President (at the request of Senate Interim Committee on Finance and Revenue)

## 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. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: The Act makes technical fixes and slight policy updates to some tax statutes. (Flesch Readability Score: 63.4).

Updates the terminology used to describe certain income earned by multinational corporations to reflect a change in the term used in federal law. Aligns sunset dates for earned income tax credit provisions with the underlying sunset date for the credit.

Expands the tax credit for certified film production development contributions to allow the use of contributions for the production of commercials. Applies to fiscal years beginning on or after July 1, 2026.

*[Provides an exception from the annual filing requirement for the property tax exemption for property burdened by an affordable housing covenant used for owner-occupied housing. Applies to property tax years beginning on or after July 1, 2027.]*

**Extends the sunset for the property tax exemption for cargo containers.**

**Repeals the requirement that revenue from a tribal tax on the distribution of motor vehicle fuel that is exempt from the gas taxes under Oregon law is subject to the highway-use restrictions under the Oregon Constitution.**

**Extends the applicability of the pass-through business alternative income tax and tax credit through the 2027 tax year. Allows overpayments to be credited as estimated payments for the next tax year.**

**Requires the State Board of Tax Practitioners to register as enrolled agents individuals who are authorized by the Internal Revenue Service to represent taxpayers as enrolled agents.**

Takes effect on the 91st day following adjournment sine die.

## A BILL FOR AN ACT

1  
2 Relating to taxation; creating new provisions; amending ORS 284.368, 314.698, 317.267, 319.245,  
3 673.605, 673.610, 673.615, 673.625, 673.637 and 673.685 and section 2, chapter 783, Oregon Laws  
4 1979, section 32a, chapter 579, Oregon Laws 2019, section 50, chapter 525, Oregon Laws 2021,  
5 sections 3, 10 and 12, chapter 589, Oregon Laws 2021, and section 16, chapter 82, Oregon Laws  
6 2022; and prescribing an effective date.

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

8 **SECTION 1.** ORS 314.698 is amended to read:

9 314.698. For purposes of ORS 317.267, amounts of [*global intangible low-taxed*] **net controlled**  
10 **foreign corporation tested** income described in section 951A of the Internal Revenue Code and  
11 included in gross income shall be treated in the same manner as a dividend.

12 **SECTION 2.** ORS 317.267 is amended to read:

13 317.267. (1) To derive Oregon taxable income, there shall be added to federal taxable income:

14 (a) Amounts received as dividends from corporations deducted for federal purposes pursuant to  
15 section 243 or 245 of the Internal Revenue Code, except section 245(c) of the Internal Revenue Code;

**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.

1 (b) Amounts deducted for income repatriated, deemed or otherwise, under section 965 of the  
2 Internal Revenue Code;

3 (c) Amounts deducted as [*global intangible low-taxed*] **net controlled foreign corporation**  
4 **tested** income pursuant to section 250 of the Internal Revenue Code;

5 (d) Amounts paid as dividends by a public utility or telecommunications utility and deducted for  
6 federal purposes pursuant to section 247 of the Internal Revenue Code; or

7 (e) Dividends eliminated under Treasury Regulations adopted under section 1502 of the Internal  
8 Revenue Code that are paid by members of an affiliated group that are eliminated from a consol-  
9 idated federal return pursuant to ORS 317.715 (2).

10 (2) To derive Oregon taxable income, after the modification prescribed under subsection (1) of  
11 this section, there shall be subtracted from federal taxable income an amount equal to 70 percent  
12 of dividends (determined without regard to section 78 of the Internal Revenue Code) received or  
13 deemed received from corporations if such dividends are included in federal taxable income. How-  
14 ever:

15 (a) In the case of any dividend on debt-financed portfolio stock as described in section 246A of  
16 the Internal Revenue Code, the subtraction allowed under this subsection shall be reduced under the  
17 same conditions and in same amount as the dividends received deduction otherwise allowable for  
18 federal income tax purposes is reduced under section 246A of the Internal Revenue Code.

19 (b) In the case of any dividend received from a 20 percent owned corporation, as defined in  
20 section 243(c) of the Internal Revenue Code, or [*global intangible low-taxed*] **net controlled foreign**  
21 **corporation tested** income included in gross income pursuant to section 951A of the Internal Re-  
22 venue Code, this subsection shall be applied by substituting “80 percent” for “70 percent.”

23 (c) A dividend that is not treated as a dividend under section 243(d) of the Internal Revenue  
24 Code may not be treated as a dividend for purposes of this subsection.

25 (d) If a dividends received deduction is not allowed for federal tax purposes because of section  
26 246(a) or (c) of the Internal Revenue Code, a subtraction may not be made under this subsection for  
27 received dividends that are described in section 246(a) or (c) of the Internal Revenue Code.

28 (e) In the case of any dividend received from an alien, domestic or foreign insurer, as defined  
29 in ORS 731.082, that would be included in the taxpayer’s consolidated Oregon return but for the  
30 application of ORS 317.710 (5) or (7), this subsection shall be applied by substituting “100 percent”  
31 for “70 percent.”

32 (f) A subtraction under this subsection is not allowed for any amount of foreign-source dividend  
33 income, as described in section 245A of the Internal Revenue Code, that is included in gross income.

34 (3) There shall be excluded from the sales factor of any apportionment formula employed to at-  
35 tribute income to this state any amount subtracted from federal taxable income under subsection (2)  
36 of this section or deducted under section 245A of the Internal Revenue Code. The amount of any  
37 dividend or of any [*global intangible low-taxed*] **net controlled foreign corporation tested** income  
38 that is apportionable shall be determined as provided by the apportionment formula applicable to the  
39 taxpayer, as provided in ORS 314.280 and 314.605 to 314.675, but may not include any amount sub-  
40 tracted under subsection (2) of this section.

41 **SECTION 3.** Section 32a, chapter 579, Oregon Laws 2019, is amended to read:

42 **Sec. 32a.** The amendments to ORS 315.266 by section 31, **chapter 579, Oregon Laws 2019**, [*of*  
43 *this 2019 Act*] apply to tax years beginning on or after January 1, 2020[, *and before January 1,*  
44 *2026*].

45 **SECTION 4.** Section 50, chapter 525, Oregon Laws 2021, is amended to read:

1       **Sec. 50.** The amendments to ORS 315.266 by section 49, **chapter 525, Oregon Laws 2021**, [of  
2 *this 2021 Act*] apply to tax years beginning on or after January 1, 2022[, and before January 1,  
3 2026].

4       **SECTION 5.** ORS 284.368 is amended to read:

5       284.368. (1) As used in this section:

6       (a) “Actual Oregon expenses” means the costs paid in Oregon for principal photography, pro-  
7 duction or postproduction in Oregon of a film, or for media production services, including but not  
8 limited to the purchase or rental cost of equipment, food, lodging, real property and permits and  
9 payments made for salaries, wages and benefits for work in Oregon.

10       (b) “Film” means a television movie or one or more episodes of a single television series, [or]  
11 a movie produced for release to theaters, video or the Internet **or a commercial**. “Film” does not  
12 include the production of [*a commercial or*] one or more segments of a newscast or sporting event.

13       (c) “Filmmaker” means a person who owns a television or film production company.

14       (d) “Local filmmaker” means a person who owns a television or film production company that  
15 has its principal place of business in this state.

16       (e) “Local media production project” means, if made or performed by a local media production  
17 services company, a single interactive video game or a portion thereof, **a commercial** or  
18 postproduction services for a single film.

19       (f) “Local media production services company” means a media production services company that  
20 has its principal place of business in this state.

21       (g) “Media production services” includes postproduction services and interactive video game  
22 development. “Media production services” does not include the production of [*a commercial or*] one  
23 or more segments of a newscast or sporting event.

24       (h) “Media production services company” means a person who is engaged in media production  
25 services.

26       (i) “Portland metropolitan zone” means the area within a 30-mile radius of the center of the  
27 Burnside Bridge in Portland.

28       (j) “Resident of this state” has the meaning given that term in ORS 316.027.

29       (2)(a) The Oregon Business Development Department may reimburse a filmmaker or local media  
30 production services company for a portion of the actual Oregon expenses incurred by the filmmaker  
31 or local media production services company.

32       (b) Maximum reimbursement for a single film or a single local media production project shall  
33 be the total of:

34       (A) 20 percent of payments made for employee salaries, wages and benefits for work done in  
35 Oregon; and

36       (B) 25 percent of all other actual Oregon expenses.

37       (c) Notwithstanding paragraph (b) of this subsection, maximum reimbursement for a single film  
38 may not exceed 50 percent of total moneys received by the Oregon Production Investment Fund  
39 during the biennium in which the actual Oregon expenses are incurred.

40       (d) To qualify for reimbursement under this subsection, total actual Oregon expenses for a film  
41 or a local media production project must equal or exceed \$1 million.

42       (3)(a) The department may reimburse a local filmmaker or local media production services  
43 company for all or a portion of the actual Oregon expenses, up to \$1 million, incurred by the local  
44 filmmaker or local media production services company.

45       (b) To qualify for reimbursement under this subsection:

1 (A) Total actual Oregon expenses paid for the film or media production services must be at least  
2 \$75,000;

3 (B) The local filmmaker or local media production services company must have spent 80 percent  
4 of the film's payroll on employees who are residents of this state; and

5 (C) The local filmmaker or local media production services company may have employed or  
6 contracted with a certified public accountant licensed by the Oregon Board of Accountancy for the  
7 provision of payroll services.

8 (4) In combination with the reimbursements allowed under subsections (2) and (3) of this section,  
9 the department may make an additional payment to a filmmaker for one of the following:

10 (a) A travel and living expenses rebate of \$200 per employee per day, for any day that a film is  
11 shot **in Oregon but** entirely outside the Portland metropolitan zone, not to exceed \$10,000 per day  
12 or \$50,000 per film; or

13 (b) An increase of 10 percent of the amount otherwise allowable under subsections (2) and (3)  
14 of this section, if for at least six days and at least one day more than half of its total shoot days in  
15 Oregon the film is shot entirely outside the Portland metropolitan zone.

16 (5) Reimbursement under this section shall be made from moneys credited to or deposited in the  
17 Oregon Production Investment Fund during the biennium in which the actual Oregon expenses were  
18 paid or any prior biennium. A reimbursement may not be made to the extent funds are not available  
19 in the fund to make the reimbursement.

20 (6)(a) Total actual Oregon expenses supporting a claim for reimbursement under this section  
21 must be verified by the Oregon Film and Video Office. The filmmaker or local media production  
22 services company must submit to the office proof of the actual Oregon expenses. The proof must  
23 include any documentation that may be required by the office in its discretion to verify the actual  
24 Oregon expenses.

25 (b) The office may charge the filmmaker or local media production services company for costs  
26 reasonably incurred to verify the actual Oregon expenses, including but not limited to the cost for  
27 a review or audit of the supporting documentation by an accountant or auditor. The office may re-  
28 quire the department to deduct the costs incurred by the office in performing its review or audit  
29 from any reimbursement made to the filmmaker or local media production services company under  
30 this section.

31 (c) The office may adopt rules that establish a procedure for the submission and verification of  
32 actual Oregon expenses.

33 **SECTION 6. The amendments to ORS 284.368 by section 5 of this 2026 Act apply to fiscal**  
34 **years beginning on or after July 1, 2026.**

35 **SECTION 7.** Section 2, chapter 783, Oregon Laws 1979, as amended by section 1, chapter 583,  
36 Oregon Laws 1987, section 7, chapter 748, Oregon Laws 1995, section 1, chapter 218, Oregon Laws  
37 2003, section 1, chapter 548, 2009, section 1, chapter 213, Oregon Laws 2013, and section 3, chapter  
38 578, Oregon Laws 2019, is amended to read:

39 **Sec. 2.** Cargo containers, as defined in ORS 307.835, are exempt from taxation for **property** tax  
40 years beginning on or after July 1, 1974, and before July 1, [2026] **2032**.

41 **SECTION 8.** ORS 319.245 is amended to read:

42 319.245. (1) As used in this section:

43 (a) "Indian tribe" means a federally recognized Indian tribe in Oregon.

44 (b) "Tribal entity" means an entity wholly owned by an Indian tribe.

45 (c) "Tribal member entity" means an entity wholly owned and operated by an enrolled member

1 of an Indian tribe.

2 (2) The first sale, use or distribution of motor vehicle fuel in this state is exempt from the li-  
3 cense tax imposed under ORS 319.020 (1)(b) if:

4 (a) The motor vehicle fuel is purchased by an Indian tribe, tribal entity or tribal member entity  
5 directly or from a dealer that purchased the motor vehicle fuel in a transaction that would other-  
6 wise be subject to the tax; and

7 (b) The motor vehicle fuel is delivered to a service station that is owned by an Indian tribe,  
8 tribal entity or tribal member entity and operated on the respective Indian tribe's reservation or  
9 trust land.

10 (3) In order to be eligible for the exemption under subsection (2) of this section, the Indian tribe  
11 must:

12 (a) Impose a tax on the distribution of the motor vehicle fuel at the same rate as the license tax  
13 imposed under ORS 319.020 (1)(b); **and**

14 *[(b) Expend the revenue from the tax imposed pursuant to paragraph (a) of this subsection solely*  
15 *for uses that are consistent with the requirements of Article IX, section 3a, of the Oregon Constitution;*  
16 *and]*

17 *[(c)]* (b) Certify annually to the Department of Transportation that the Indian tribe is in com-  
18 pliance with this subsection.

19 (4) A dealer described in subsection (2)(a) of this section shall report to the department such  
20 sales of motor vehicle fuel to Indian tribes, tribal entities and tribal member entities.

21 (5) The department shall adopt rules prescribing the processes, forms and information that the  
22 forms must include for the certification required under subsection *[(3)(c)]* (3)(b) of this section and  
23 the reports required under subsection (4) of this section.

24 **SECTION 9.** Section 3, chapter 589, Oregon Laws 2021, as amended by section 3, chapter 82,  
25 Oregon Laws 2022, is amended to read:

26 **Sec. 3.** (1) A pass-through entity may elect to be liable for and pay a pass-through business al-  
27 ternative income tax if all members of the pass-through entity are:

28 (a) Individuals subject to the personal income tax imposed under ORS chapter 316; or

29 (b) Entities that are pass-through entities owned entirely by individuals subject to the personal  
30 income tax imposed under ORS chapter 316.

31 (2) The election to pay the pass-through business alternative income tax is available if consent  
32 is given by all members of the electing pass-through entity who are members at the time the election  
33 is filed or is made by any officer, manager or member of the electing pass-through entity who is  
34 authorized, under law or the entity's organizational documents, to make the election and who re-  
35 presents to having such authorization under penalties of perjury. The election shall be made annu-  
36 ally on or before the due date, including extensions, of the pass-through entity's return, in the form  
37 and manner prescribed by the Department of Revenue. The election may not be made retroactively.  
38 The members of a pass-through entity may revoke an election under this section for a tax year only  
39 on or before the due date of the pass-through entity's return for that tax year, and only if the re-  
40 vocation is agreed to by all members who are members at the time of the revocation.

41 (3)(a) In determining the sum of distributive proceeds and computing the tax under this section,  
42 a member of a pass-through entity shall add back any amount of Oregon tax imposed under *[this*  
43 *chapter]* **ORS chapter 314** and deducted by the pass-through entity at the entity level for federal  
44 income tax purposes under section 164 of the Internal Revenue Code.

45 (b) Any amount that is added back under this subsection and that meets the conditions for the

1 use of elective rates under ORS 316.043 may be treated as qualifying income under ORS 316.043, in  
2 a proportion determined by the department by rule.

3 (4) Each pass-through entity that makes an election for a tax year pursuant to this section shall  
4 annually report to each of its members, for the tax year, the member's share of distributive proceeds  
5 and share of tax paid under this section and eligible for the credit allowed under section 8, chapter  
6 589, Oregon Laws 2021.

7 (5) The tax imposed on a pass-through entity pursuant to this section shall be determined with  
8 respect to the sum of each member's share of distributive proceeds attributable to the pass-through  
9 entity for the tax year.

10 (6) The rate of the tax imposed by and computed under this section is:

11 (a) Nine percent of the first \$250,000, or fraction thereof, of the sum of distributive proceeds;  
12 and

13 (b) Nine and nine-tenths percent of any amount of distributive proceeds in excess of \$250,000.

14 (7) The amount of pass-through business alternative income tax due from a pass-through entity  
15 in a tax year shall be exclusive of any amount of tax due and paid by the pass-through entity under  
16 *[this chapter]* **ORS chapter 314**, except as otherwise provided in sections 2 to 6, chapter 589, Oregon  
17 Laws 2021.

18 (8) Pass-through entities that have made an election under this section shall file an entity tax  
19 return. The return shall be accompanied by payment and shall be due on the date applicable to re-  
20 turns due under ORS chapter 316, as provided in ORS 314.385.

21 **(9) If a pass-through entity has made an overpayment of tax under this section, the**  
22 **pass-through entity may elect to have that overpayment credited against an installment of**  
23 **estimated tax for the subsequent tax year. The department shall administer this subsection**  
24 **in a manner consistent with the treatment of overpayment of income tax under ORS 316.583.**

25 **SECTION 10.** Section 10, chapter 589, Oregon Laws 2021, as amended by section 1, chapter 399,  
26 Oregon Laws 2023, is amended to read:

27 **Sec. 10. (1)** Sections 3 and 8, chapter 589, Oregon Laws 2021, apply to tax years beginning on  
28 or after January 1, 2022, and before January 1, ~~[2026]~~ **2028.**

29 **(2) The amendments to section 3, chapter 589, Oregon Laws 2021, by section 9 of this 2026**  
30 **Act apply to overpayments made before January 31, 2028.**

31 **SECTION 11.** Section 12, chapter 589, Oregon Laws 2021, as amended by section 2, chapter 399,  
32 Oregon Laws 2023, is amended to read:

33 **Sec. 12.** The repeal of sections 3 and 8, chapter 589, Oregon Laws 2021, by section 11, chapter  
34 589, Oregon Laws 2021, applies to any tax year that begins on or after January 1, 2022, and before  
35 January 1, ~~[2026]~~ **2028**, and to which section 164(b)(6) of the Internal Revenue Code is not applicable.

36 **SECTION 12.** Section 16, chapter 82, Oregon Laws 2022, as amended by section 5, chapter 52,  
37 Oregon Laws 2024, is amended to read:

38 **Sec. 16. (1)** The amendments to ORS 284.368 by section 1, chapter 82, Oregon Laws 2022, apply  
39 to fiscal years beginning on or after July 1, 2022.

40 (2) The amendments to sections 3 and 5, chapter 589, Oregon Laws 2021, by sections 3 and 4,  
41 chapter 82, Oregon Laws 2022, apply to tax years beginning on or after January 1, 2022, *[and before*  
42 *January 1, 2026,]* and to estimated payments due on and after June 15, 2022.

43 (3) The amendments to section 2, chapter 527, Oregon Laws 2021, by section 8, chapter 82,  
44 Oregon Laws 2022, apply to applications for precertification under section 4, chapter 527, Oregon  
45 Laws 2021, and applications for exemption under section 5, chapter 527, Oregon Laws 2021, without

1 precertification, filed on or after June 3, 2022.

2 (4) [Section 10, chapter 82, Oregon Laws 2022,] **ORS 317A.123** applies to tax years beginning on  
3 or after January 1, 2022, and before January 1, 2026.

4 (5) [Sections 13 and 15, chapter 82, Oregon Laws 2022,] **ORS 316.031 and 317.346** apply to tax  
5 years beginning on or after January 1, 2023, and before January 1, 2029, and to any tax year to  
6 which a net operating loss arising in those tax years is carried back.

7 **SECTION 13.** ORS 673.605 is amended to read:

8 673.605. As used in ORS 673.605 to 673.740 unless the context requires otherwise:

9 (1) “Board” means the State Board of Tax Practitioners created by ORS 673.725.

10 (2) **“Enrolled agent” means an individual authorized by and in good standing with the**  
11 **United States Department of the Treasury to represent taxpayers before the Internal Re-**  
12 **venue Service under 31 C.F.R. part 10.**

13 [(2)(a)] (3)(a) “Facilitator” means a person that individually or in conjunction or cooperation  
14 with another person processes, receives or accepts for delivery an application for a refund antic-  
15 ipation loan or a check in payment of refund anticipation loan proceeds or in any other manner  
16 materially facilitates the making of a refund anticipation loan.

17 (b) “Facilitator” does not mean a financial institution as defined in ORS 706.008, a person who  
18 has been issued a license under ORS chapter 725, an affiliate that is a servicer for a financial in-  
19 stitution or for a person issued a license under ORS chapter 725, a person issued a license as a  
20 certified public accountant or public accountant by the Oregon Board of Accountancy, or any person  
21 that acts solely as an intermediary and does not deal with a taxpayer in the making of a refund  
22 anticipation loan.

23 [(3)] (4) “Lender” means a person that makes a refund anticipation loan with the person’s own  
24 funds or a line of credit or other funding from a financial institution as defined in ORS 706.008, but  
25 does not include a financial institution as defined in ORS 706.008.

26 [(4)] (5) “Refund anticipation loan” means a loan that the lender arranges to be repaid directly  
27 from the proceeds of the taxpayer’s federal or state personal income tax refund.

28 [(5)(a)] (6)(a) “Refund anticipation loan fee” means the charges, fees or other consideration  
29 charged or imposed by the lender or facilitator for the making of a refund anticipation loan.

30 (b) “Refund anticipation loan fee” does not mean any charge, fee or other consideration usually  
31 charged or imposed by the facilitator in the ordinary course of business for nonloan services, in-  
32 cluding fees for tax return preparation and fees for electronic filing of tax returns.

33 [(6)] (7) “Registered tax aide” means any person who is registered under ORS 673.605 to 673.740  
34 as a registered tax aide.

35 [(7)] (8) “Tax consultant” means a person who is licensed under ORS 673.605 to 673.740 to pre-  
36 pare or advise or assist in the preparation of personal income tax returns for another and for val-  
37 uable consideration.

38 [(8)] (9) “Taxpayer” means an individual who files a federal or Oregon personal income tax re-  
39 turn.

40 [(9)] (10) “Tax preparer” means any person who is licensed under ORS 673.605 to 673.740 as a  
41 tax preparer.

42 **SECTION 14.** ORS 673.610 is amended to read:

43 673.610. ORS 673.605 to 673.740 do not apply to:

44 (1) Any full- or part-time employee hired to fill a permanent position, who in connection with  
45 the duties as an employee has the incidental duty of preparing income tax returns for the business

1 of the employer only.

2 (2) Any attorney at law rendering services in the performance of the duties of an attorney at  
3 law.

4 (3) While acting as such, any fiduciary, or the regular employees thereof, acting on behalf of the  
5 fiduciary estate, the testator, trustor, grantor, or beneficiaries thereof.

6 (4) A certified public accountant who holds an active license issued by any state, a public ac-  
7 countant holding a valid license issued under ORS 673.100 or a public accounting firm registered in  
8 any state.

9 (5) Any employee of a certified public accountant, public accountant or registered public ac-  
10 counting firm described in subsection (4) of this section.

11 (6) Any person employed by a local, state or federal governmental agency but only in perform-  
12 ance of official duties.

13 **(7) An enrolled agent.**

14 **(8) Any employee of an enrolled agent, while acting within the scope of that employment**  
15 **and under the supervision of the enrolled agent.**

16 **SECTION 15.** ORS 673.615 is amended to read:

17 673.615. Except as otherwise provided in ORS 673.605 to 673.740:

18 (1) A person may not prepare or advise or assist in the preparation of personal income tax re-  
19 turns for another and for valuable consideration or represent that the person is so engaged unless  
20 the person is licensed as a tax consultant under ORS 673.605 to 673.740.

21 (2) A tax preparer may prepare or advise or assist in the preparation of tax returns only under  
22 the supervision of a tax consultant, or a person described in ORS 673.610 [(2) or (4)] **(2), (4) or (7)**,  
23 and subject to such conditions and limitations as the State Board of Tax Practitioners by rule may  
24 impose.

25 (3) A registered tax aide may assist a tax consultant in the preparation of tax returns only un-  
26 der the supervision of a tax consultant and subject to such conditions and limitations as the board  
27 by rule may impose.

28 (4) A person may not be a facilitator of a refund anticipation loan without first being issued a  
29 license as a tax consultant or tax preparer under ORS 673.640.

30 (5) A tax consultant may employ and supervise no more than two registered tax aides at the  
31 same time under the conditions and limitations prescribed by the board by rule.

32 **SECTION 16.** ORS 673.625 is amended to read:

33 673.625. (1) Every applicant for a license as a tax consultant and every applicant for licensing  
34 as a tax preparer must:

35 (a) Be 18 years of age or older;

36 (b) Possess a high school diploma or a modified diploma or have passed an equivalency exam-  
37 ination;

38 (c) Present evidence satisfactory to the State Board of Tax Practitioners that the applicant has  
39 successfully completed at least 80 hours in basic personal income tax law, theory and practice at a  
40 school training session or educational institution approved by the board; and

41 (d) Possess a preparer tax identification number issued by the Internal Revenue Service.

42 (2) In addition to the requirements of subsection (1) of this section, every applicant for licensing  
43 as a tax preparer must pass to the satisfaction of the board an examination. The examination must  
44 be constructed in a manner that in the judgment of the board measures the applicant's knowledge  
45 of Oregon and federal personal income tax law, theory and practice.

1 (3) In addition to the requirements of subsection (1) of this section, every applicant for licensing  
2 as a tax consultant must:

3 (a) Present evidence satisfactory to the board of active employment, as described in ORS 673.615  
4 (2), as a tax preparer or employment in this or another state in a capacity that is, in the judgment  
5 of the board equivalent to that of a tax preparer or tax consultant, for not less than a cumulative  
6 total of 1,100 hours during at least two of the last five years. The board shall consider certification  
7 by a tax consultant or person described in ORS 673.610 [(2) or (4)] **(2), (4) or (7)** that the applicant  
8 was employed as a tax preparer under supervision for the period indicated in the certificate to be  
9 satisfactory evidence of the applicant's employment as a tax preparer for the period indicated. If  
10 an applicant has worked less than a cumulative total of 1,100 hours in at least two of the last five  
11 years, the board may consider the number of hours employed, the number of years employed, the  
12 number of tax returns prepared and whether the work involved contributed directly to the profes-  
13 sional competence of the individual in determining if a tax preparer or tax consultant has met the  
14 work experience requirement.

15 (b) Pass to the satisfaction of the board an examination that is constructed in a manner that in  
16 the judgment of the board measures the applicant's knowledge of Oregon and federal personal in-  
17 come tax law, theory and practice. The examination for a tax consultant's license must be of a more  
18 exacting nature and require higher standards of knowledge of personal income tax law, theory and  
19 practice than the examination for a tax preparer's license.

20 (4) If, in the judgment of the board, an applicant has, in combination, the education and experi-  
21 ence to qualify for a tax consultant's or preparer's license, but does not meet or cannot present  
22 evidence of strict compliance with the requirements of subsection (1)(c) or subsection (3)(a) of this  
23 section, the board may allow some of the applicant's education or experience to substitute one for  
24 the other. However, this subsection does not allow a waiver of, or substitution for, any qualifications  
25 needed for a tax consultant's or preparer's license other than those described in subsection (1)(c)  
26 or subsection (3)(a) of this section.

27 **SECTION 17.** ORS 673.637 is amended to read:

28 673.637. (1) The State Board of Tax Practitioners may issue a license to an applicant for a li-  
29 cense as a tax consultant or as a tax preparer who:

30 (a) Presents evidence satisfactory to the board that the applicant is licensed as a tax consultant  
31 or preparer in a state that has requirements for licensing substantially similar to the requirements  
32 for licensing in this state; and

33 (b) Has passed to the satisfaction of the board an examination covering Oregon personal income  
34 tax law, theory and practice, the provisions of ORS 673.605 to 673.740 and the code of professional  
35 conduct prescribed by the board.

36 *[(2) Notwithstanding ORS 673.625 (1) and (3), but as otherwise provided in ORS 673.605 to*  
37 *673.740, the board shall license as a tax consultant any person who is, on the date of the application*  
38 *for a tax consultant's license, enrolled to practice before the Internal Revenue Service pursuant to 31*  
39 *C.F.R. part 10 if the person has passed to the satisfaction of the board an examination covering Oregon*  
40 *personal income tax law, theory and practice, the provisions of ORS 673.605 to 673.740 and the code*  
41 *of professional conduct prescribed by the board.]*

42 [(3)] **(2)** Except as otherwise provided in this section, an examination is not required for licens-  
43 ing under this section.

44 [(4)] **(3)** Any person desiring to be licensed under this section shall make written application to  
45 the board and shall pay to the board at the time required by the board the examination and license

1 fees provided by rule of the board.

2 **(4) The board shall register as an enrolled agent any individual who:**

3 **(a) Is an enrolled agent;**

4 **(b) Applies for registration in the manner provided by the board by rule; and**

5 **(c) Pays the registration fee established under ORS 673.685.**

6 **(5) The board may not require an enrolled agent registered under this section to pass any**  
7 **examination administered or required by the board, or to complete continuing education**  
8 **under ORS 673.655, as a condition of initial registration or renewal.**

9 **(6) An enrolled agent who is not licensed as a tax consultant or tax preparer under ORS**  
10 **673.640 may not prepare, advise or assist in the preparation of personal income tax returns**  
11 **for another and for valuable consideration in this state unless the enrolled agent is regis-**  
12 **tered with the board under this section.**

13 **(7) The board may refuse to issue or renew, or may suspend or revoke, a registration as**  
14 **an enrolled agent under this section on any grounds described in ORS 673.700 that apply to**  
15 **tax consultants if the board determines the grounds are reasonably applicable to the conduct**  
16 **of an enrolled agent.**

17 **(8) A registered enrolled agent has the authority to represent taxpayers before the De-**  
18 **partment of Revenue to the same extent as a licensed Oregon tax consultant.**

19 **SECTION 18.** ORS 673.685 is amended to read:

20 673.685. (1) The State Board of Tax Practitioners shall adopt by rule fees for:

21 (a) Application for examination for a tax consultant's license.

22 (b) Application for examination for a tax preparer's license.

23 (c) Issuance or renewal of a tax consultant's license.

24 (d) Issuance or renewal of a tax preparer's license.

25 (e) Issuance or renewal of a registered tax aide's certificate.

26 (f) Issuance or renewal of a tax consultant's inactive license.

27 (g) Issuance or renewal of a tax preparer's inactive license.

28 (h) Reactivation of a tax consultant's inactive license or reactivation of a tax preparer's inactive  
29 license.

30 (i) Restoration of lapsed license.

31 (j) Issuance or replacement of a duplicate license or certificate.

32 (k) Registration or registration renewal for a sole proprietorship, partnership, corporation or  
33 other legal entity.

34 (L) Issuance or renewal of a combined tax consultant's or tax preparer's license and registration  
35 for a sole proprietorship, partnership, corporation or other legal entity. Eligibility for a combined  
36 license shall be determined under rules adopted by the board.

37 (m) Annual registration of a branch office of a sole proprietorship, partnership, corporation or  
38 other legal entity.

39 **(n) Issuance or renewal of a registration for an enrolled agent as described in ORS**  
40 **673.637.**

41 (2) The fees established by the State Board of Tax Practitioners under this section are subject  
42 to the prior approval of the Oregon Department of Administrative Services. The fees may not exceed  
43 the cost of administering the regulatory program of the State Board of Tax Practitioners pertaining  
44 to the purposes for which the fees are established, as authorized by the Legislative Assembly within  
45 the board's budget, as that budget may be modified by the Emergency Board.

1        **SECTION 19.** This 2026 Act takes effect on the 91st day after the date on which the 2026  
2 regular session of the Eighty-third Legislative Assembly adjourns sine die.  
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