



MULTNOMAH COUNTY
AGENDA PLACEMENT REQUEST (short form)

Board Clerk Use Only

Meeting Date: 5/10/12
Agenda Item #: R.3
Est. Start Time: 10:25 am
Date Submitted: 4/25/12

Agenda Title: Amending MCC §12.230, Confidentiality, Of The Multnomah County Business Income Tax Law To Provide Full Confidentiality To Taxpayers Under Any Tax Amnesty Program, And Declaring An Emergency

Note: If Ordinance, Resolution, Order or Proclamation, provide exact title. For all other submissions, provide a clearly written title.

Requested Meeting Date: May 10th, 2012 Amount of Time Needed: 5 minutes
Department: Non-Departmental Division:
Contact(s): Marissa Madrigal
Phone: 503-988-5239 Ext. I/O Address:
Presenter(s): Jenny Morf, Marissa Madrigal

General Information

1. What action are you requesting from the Board?

The request before the Board is to amend the confidentiality clause of the Multnomah County Business Income Tax Law to provide full confidentiality to taxpayers under any tax amnesty program by emergency ordinance.

2. Please provide sufficient background information for the Board and the public to understand this issue. Please note which Program Offer this action affects and how it impacts the results.

The City of Portland is the collector of the Multnomah County Business Income Tax and as such is empowered to take actions to increase collection and compliance. Increased collection results in additional revenue for Multnomah County programs.

The City of Portland Revenue Bureau will institute a tax amnesty program from May 15th to July 16th, 2012 to increase collection and bring businesses into compliance with the City's Business License Fee and Multnomah County's Business Income Tax. Other jurisdictions have successfully used tax amnesty programs to increase tax collection, including the State of Washington and State of Oregon.

Tax amnesty programs create a narrow window of time that non-compliant taxpayers can voluntarily bring themselves into compliance at significantly reduced costs. These reduced costs incent the

otherwise non-compliant taxpayer to come into compliance and generally take the form of structured reductions in penalties and interest.

The requested Board action ensures that any taxpayer coming forward to apply for amnesty can do so confidentially.

3. Explain the fiscal impact (current year and ongoing).

There is no cost to amend the Business Income Tax Law. The City of Portland projects that the tax amnesty program may provide up to \$400,000 in additional one-time-only revenues to Multnomah County.

4. Explain any legal and/or policy issues involved.

The City of Portland is empowered to collect the Multnomah County Business Income Tax on behalf of Multnomah County through an intergovernmental agreement.

5. Explain any citizen and/or other government participation that has or will take place.

A similar change to the City of Portland's Business License Fee ordinance will be taken up by Portland City Council on May 9th.

Required Signature

**Elected Official or
Department/
Agency Director:**

Marissa Madrigal /s/

Date: 5/18/2011