

**BEFORE THE BOARD OF COUNTY COMMISSIONERS  
FOR MULTNOMAH COUNTY, OREGON**

**ORDINANCE NO. 1314**

**Amending MCC Chapter 11.500 – Preschool For All Personal Income Tax to Reflect Certain Administrative Code Changes.**

(Language ~~stricken~~ is deleted; double underlined language is new.)

**The Multnomah County Board of Commissioners Finds:**

1. On November 3, 2020, the voters of Multnomah County approved Ballot Measure 26-214, which authorizes the County to impose a personal income tax to fund universal, tuition free, voluntary, and high quality preschool education for every three and four year olds residing within Multnomah County (the “Preschool for All Program”).
2. The Preschool for All Program personal income tax is effective January 1, 2021.
3. On January 28, 2021, Ordinance 1293 was approved establishing sections §§ 11.500- 11.560 of County Code Chapter 11, tax code for the Preschool For All Program.
4. On Feb. 14, 2023, Multnomah County Chair announced a tax year 2021 amnesty on all penalties and interest associated with late payment/filing of 2021 Preschool For All tax returns. Taxpayers who already paid penalties and interest with 2021 filing will receive a refund. Taxpayers who were required to make quarterly payments in tax year 2022 (taxpayers who owe more than \$1,000 in tax for the year), will have their interest for quarterly underpayments waived for tax year 2022 only. All other penalties and interest associated with tax year 2022 and beyond will remain in effect.
5. The County now wishes to amend certain sections of MCC Chapter 11.500. Eliminate an additional 20 percent penalty for a failure to remit tax payment for a period of four months or more and to codify the tax year 2022 interest waiver for any quarterly underpayment (taxpayers who owe more than \$1,000 in tax for the year).
6. For tax year 2022, the County intends to align interest rate assessed on unpaid tax to that of State of Oregon Department of Revenue.
7. In addition, and periodically, there is a need to amend Multnomah County Code to make technical corrections to address typos, ambiguity, inconsistent terms, and citations updates (“Administrative and Housekeeping Changes”). The proposed

code amendments incorporate various changes around authority, communication, procedures, and correcting typos.

8. The County intends to maintain tax code conformity with the Metro District Supportive Housing Services personal income tax to facilitate tax administration and the tax filing process. The amendment being proposed aligns Multnomah County Preschool For All Program tax code.

**Multnomah County Ordains as Follows:**

**§ 11.508 – ADMINISTRATIVE AUTHORITY.**

(A) The Administrator may adopt ~~implement~~ procedures, forms, guides, administrative rules and written policies for administering the provisions of the Preschool For All Personal Income Tax.

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**§ 11.510 – DEFINITIONS.**

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**NOTICE.** Means a written document mailed by first class by the Administrator or District to the last known address of a Taxfiler as provided to the Administrator or District in the latest registration form or tax return on file with the Administrator. Alternatively, notice may be delivered in person, by facsimile, email, or other means with Taxfiler consent.

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**§ 11.538 – INTEREST.**

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(A) Interest will be collected on any unpaid tax at the rate of 10% simple interest per year, computed from the original due date of the tax to the 15th day of the month following the date of payment. If the Administrator determines that the interest rate provided is at least 1% more or less than the effective interest rate on January 1<sup>st</sup> charged by the State of Oregon Department of Revenue, the Administrator may adjust the interest rate by administrative policy ~~rule~~ to align with the State of Oregon Department of Revenue. The Administrator may not adjust the interest rate more than once in a calendar year. The adjusted rate applies to unpaid tax outstanding on or after the effective date of the adjusted interest rate.

(C) The Administrator may waive or reduce interest for good cause in specifically provided for by written policy. The Administrator may look to ORS 305.145 and OAR 150-305-0062 for guidance in the waiver of interest. The Administrator must consult with the Multnomah County Chief Financial Officer before adopting a written policy that waives or reduces interest amounts.

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## § 11.540 – PENALTIES.

\* \* \*

~~(B)(2) An additional 20% of the balance of the tax due or paid after the payment date, as applicable, if the failure to remit is for a period of four months or more; and~~

(B) ~~(2)~~ (3) An additional penalty of 100% of the balance of the tax due or paid after the Payment Date, as applicable, of all Tax Years if the failure to remit is for three or more consecutive Tax Years.

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## § 11.544 – PROTESTS AND APPEALS; PENALTY WAIVER.

(A) A Taxfiler may protest any determination by the Administrator. The Administrator must receive written notice of the protest within 30 days after the Administrator mailed or delivered the initial notice of determination to the Taxfiler. Failure to file such a written notice within the time permitted is deemed a waiver of any objections, and no further appeal rights are granted. The protest must state the name and address of the taxfiler and an explanation of the general grounds for the protest. The Administrator must respond within ~~180~~30 days after the protest is filed with ~~either a revised determination or a final determination.~~ The Administrator's final determination must include the reasons for the determination and state the time and manner for appealing the final determination. The time to file a protest or the time for the Administrator's response may be extended by the Administrator for good cause. Requests for extensions of time must be received before the original 30 day protest deadline expires. The Administrator will give written notice to the Taxfiler if the Administrator's deadline is extended.

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## § 11.546 – PAYMENT OF ESTIMATED TAX

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(B) If a Taxfiler is required to remit estimated tax payments, the ~~such~~ amounts remitted must total either the lesser of 90% of the Taxfiler's current year tax liability or 100% of the Taxfiler's reported prior year tax liability.

(C) The Administrator will not impose underpayment interest for failure to make quarterly estimated payments for tax year 2021 (tax year beginning on or after January 1, 2021) and tax year 2022 (tax year beginning on or after January 1, 2022). For tax years beginning on or after January 1, ~~2023~~2022, the Administrator will impose penalties and interest as provided in this subchapter.

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## § 11.554 PERSONS TO WHOM INFORMATION MAY BE FURNISHED

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(G) Any person that violates the section may be subject to ~~criminal and/or~~ civil penalties as set forth in the Preschool For All Personal Income Tax Administrative Code.

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FIRST READING: 4/6/2023

SECOND READING AND ADOPTION: 4/13/2023

BOARD OF COUNTY COMMISSIONERS  
FOR MULTNOMAH COUNTY, OREGON



*Jessica Vega Peterson*

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Jessica Vega Peterson, Chair

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