

BEFORE THE BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON

ORDINANCE NO. 1279

Amending MCC Chapter 12 – Business Income Tax

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

The Multnomah County Board of Commissioners Finds:

1. Under Multnomah County Code Chapter 12, the County collects a tax on a portion of a business' income that results from conducting business in Multnomah County (the "County BIT").
2. The City of Portland also collects a tax on a portion of a business' income that results from conducting business in the City of Portland (the "City BIT"). At the November 6, 2018, general election, Portland voters approved Ballot Measure 26-201, which imposed a 1% surcharge on the retail sales within the City of Portland of certain large retailers (the "Clean Energy Surcharge"). On February 21, 2019, City Council passed Ordinance No. 189389, which amended City Code Chapter 7.02, to implement the Clean Energy Surcharge.
3. By agreement between the City and the County, City of Portland collects and administers the County BIT. To simplify the administration of the two taxes and to align the County's BIT code with the City BIT code, the County proposed amending the County BIT for tax years beginning January 1, 2019, to disallow a deduction for the Clean Energy Surcharge.
4. In addition, and periodically, there is a need to amend Multnomah County Code to make technical corrections to address typos, ambiguity, and inconsistent terms.
5. Having identified the above described issues raised by provisions in Chapter 12, the Division of Finance and Risk management of the Department of County Management recommend the adoption of this ordinance to the Board of County Commissioners to amend certain portions of Multnomah County Code (MCC) Chapter 12.
6. The County now wishes to amend certain portions of MCC §§ 12.600-12.850.

Multnomah County Ordains as Follows:

Section 1. MCC § 12.600 is amended as follows:

§ 12.600 – INCOME DETERMINATIONS.

(A) *Owners compensation deduction.* ***OWNERS COMPENSATION DEDUCTION*** is defined as the additional deduction allowed in subsections (B), (C) and (D) below.

* * *

(G) *Tax based on or measured by net income.* In determining income, no deduction is allowed for taxes based on or measured by net income. No deduction is allowed for the federal built-in gains tax. No deduction is allowed for the Clean Energy Surcharge.

* * *

Section 2. MCC § 12.700 is amended as follows:

§ 12.700 – PENALTY.

(A) (1) A penalty will be assessed if a person:

(a) Fails to file a tax return or extension request at the time required under §§ 12.510(A) or 12.620(A); or

(b) Fails to pay a tax when due.

* * *

(D) The Administrator may impose a civil penalty of up to \$500 for each of the following violations of this chapter:

(1) Failure to file any tax return within 60 days of the Administrator's original written notice to file; or

(2) Failure to pay any tax within 60 days of the Administrator's original written notice for payment; or

(3) Failure to provide either documents or information as required by § 12.260 within 60 days of the Administrator's original written notice to provide the documents or information; or

(4) Failure to fully complete any form required under this chapter; or

(5) Failure to fully comply with the requirements of any section of this Chapter 12 unless such section has a separate penalty calculation.

* * *

Section 3. MCC § 12.850 is amended as follows:

§ 12.850 – HACKING.

(A) **Definitions.** As used in this section, the following definitions apply:

* * *

(B) Any individual who intentionally accesses the Computer Database without authorization will be fined:

(1) \$510,000 if the individual acquires any information regarding any business account found in the Computer Database;

(2) \$10,000 or the cost of the loss (whichever is greater) if the individual uses or attempts to use the acquired information for financial gain of any kind; or

(3) \$510,000 or the cost of the loss (whichever is greater) if the individual causes the transmission of a program, information, code, or command to the Computer Database, and, as a result of such conduct, causes damage to the Computer Database.

FIRST READING: 1/23/2020

SECOND READING AND ADOPTION: 2/6/2020



BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON

Deborah Kafoury

Deborah Kafoury, Chair

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FOR MULTNOMAH COUNTY, OREGON

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