

D R A F T

SUMMARY

Directs Department of Revenue, in collaboration with Department of Human Services, to establish pilot program for disbursement of installment payments to personal income taxpayers of amounts equal to personal income tax dependent care credits.

Applies to dependent care expenses paid during tax years beginning on or after January 1, 2016, and before January 1, 2022, and to disbursements made in calendar years beginning on or after January 1, 2017, and before January 1, 2023.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

Relating to payment of dependent care credits in installments; creating new provisions; amending ORS 314.840; and prescribing an effective date.

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

SECTION 1. (1) The Department of Revenue, in collaboration with the Department of Human Services, shall develop and implement a pilot program to distribute in monthly installments estimated proceeds of the tax credits available for dependent care under ORS 315.262, 315.264 or 316.078.

(2) Not later than November 30 of each year, the Department of Revenue shall provide to the Department of Human Services a list of taxpayers who, for the tax year ending on the preceding December 31, have claimed a credit under ORS 315.262, 315.264 or 316.078.

(3) The list required under subsection (2) of this section shall include, for each taxpayer:

(a) The amount of credit allowed to the taxpayer; and

1 (b) The taxpayer's address.

2 (4) Not later than two weeks after receiving the list from the De-
3 partment of Revenue, the Department of Human Services shall:

4 (a) Determine which taxpayers that are included on the list are also
5 individuals who at any point during the previous calendar year re-
6 ceived benefits under the Supplemental Nutrition Assistance Program
7 under ORS 411.806 to 411.845; and

8 (b) Provide notice to the individuals described in paragraph (a) of
9 this subsection that they are eligible to participate in the pilot pro-
10 gram established under this section. The notice shall include an ex-
11 planation that the dependent care tax credit payments shall be made
12 in installments in the following year, in compensation for expenses
13 made in the current year and that participation shall require the tax-
14 payer to claim the credits on the corresponding tax return and provide
15 supporting documentation if requested by the Department of Revenue.

16 (5) The Department of Human Services shall provide an opportunity
17 for taxpayers to opt out of participation in the pilot program.

18 (6) Beginning in January of the following year, not later than the
19 10th day of each month, the Department of Human Services shall
20 provide one of 12 equal monthly payments to the taxpayer.

21 (7) Not later than January 30 of each year, the Department of Hu-
22 man Services shall notify the Department of Revenue of the names
23 of all taxpayers participating during the year in the pilot program.

24 (8) On or before November 30 of each year, any taxpayer who is
25 participating in the pilot program may notify the Department of Hu-
26 man Services that the taxpayer no longer wishes to participate in the
27 pilot program. The Department of Human Services shall remove all
28 taxpayers who provide this notice from the pilot program, effective
29 January 1 of the next year.

30 SECTION 2. (1) The Department of Revenue, in reviewing the per-
31 sonal income tax returns of all participants in the pilot program es-

1 **tablished under section 1 of this 2016 Act shall:**

2 **(a) Confirm that, for the tax year immediately preceding the year**
 3 **that disbursements have been made under section 1 of this 2016 Act,**
 4 **the taxpayer has claimed a credit under ORS 315.262, 315.264 or 316.078;**

5 **(b) Reconcile the amounts claimed under paragraph (a) of this**
 6 **subsection against the amounts disbursed under section 1 of this 2016**
 7 **Act; and**

8 **(c) Determine whether there is a difference in amount claimed**
 9 **versus amount disbursed and assess a deficiency against the taxpayer**
 10 **or provide a refund.**

11 **(2) If a taxpayer who has participated in the pilot program estab-**
 12 **lished under section 1 of this 2016 Act does not claim a credit under**
 13 **ORS 315.262, 315.264 or 316.078, or does not provide sufficient substan-**
 14 **tiation of eligibility for the claimed amount, the Department of Reve-**
 15 **nue shall notify the taxpayer of the additional tax liability attributable**
 16 **to the credit.**

17 **(3) The provisions of ORS 305.220 regarding interest shall apply to**
 18 **this section.**

19 **SECTION 3.** ORS 314.840 is amended to read:

20 314.840. (1) The Department of Revenue may:

21 (a) Furnish any taxpayer, representative authorized to represent the tax-
 22 payer under ORS 305.230 or person designated by the taxpayer under ORS
 23 305.193, upon request of the taxpayer, representative or designee, with a copy
 24 of the taxpayer's income tax return filed with the department for any year,
 25 or with a copy of any report filed by the taxpayer in connection with the
 26 return, or with any other information the department considers necessary.

27 (b) Publish lists of taxpayers who are entitled to unclaimed tax refunds.

28 (c) Publish statistics so classified as to prevent the identification of in-
 29 come or any particulars contained in any report or return.

30 (d) Disclose a taxpayer's name, address, telephone number, refund amount,
 31 amount due, Social Security number, employer identification number or other

1 taxpayer identification number to the extent necessary in connection with
2 collection activities or the processing and mailing of correspondence or of
3 forms for any report or return required in the administration of any local
4 tax under ORS 305.620 or any law imposing a tax upon or measured by net
5 income.

6 (2) The department also may disclose and give access to information de-
7 scribed in ORS 314.835 to:

8 (a) The Governor of the State of Oregon or the authorized representative
9 of the Governor with respect to an individual who is designated as being
10 under consideration for appointment or reappointment to an office or for
11 employment in the office of the Governor. The information disclosed shall
12 be confined to whether the individual:

13 (A) Has filed returns with respect to the taxes imposed by ORS chapter
14 316 for those of not more than the three immediately preceding years for
15 which the individual was required to file an Oregon individual income tax
16 return.

17 (B) Has failed to pay any tax within 30 days from the date of mailing of
18 a deficiency notice or otherwise respond to a deficiency notice within 30 days
19 of its mailing.

20 (C) Has been assessed any penalty under the Oregon personal income tax
21 laws and the nature of the penalty.

22 (D) Has been or is under investigation for possible criminal offenses un-
23 der the Oregon personal income tax laws. Information disclosed pursuant to
24 this paragraph shall be used only for the purpose of making the appointment,
25 reappointment or decision to employ or not to employ the individual in the
26 office of the Governor.

27 (b) An officer or employee of the Oregon Department of Administrative
28 Services duly authorized or employed to prepare revenue estimates, or a
29 person contracting with the Oregon Department of Administrative Services
30 to prepare revenue estimates, in the preparation of revenue estimates re-
31 quired for the Governor's budget under ORS 291.201 to 291.226, or required

1 for submission to the Emergency Board or the Joint Interim Committee on
2 Ways and Means, or if the Legislative Assembly is in session, to the Joint
3 Committee on Ways and Means, and to the Legislative Revenue Officer or
4 Legislative Fiscal Officer under ORS 291.342, 291.348 and 291.445. The De-
5 partment of Revenue shall disclose and give access to the information de-
6 scribed in ORS 314.835 for the purposes of this paragraph only if:

7 (A) The request for information is made in writing, specifies the purposes
8 for which the request is made and is signed by an authorized representative
9 of the Oregon Department of Administrative Services. The form for request
10 for information shall be prescribed by the Oregon Department of Adminis-
11 trative Services and approved by the Director of the Department of Revenue.

12 (B) The officer, employee or person receiving the information does not
13 remove from the premises of the Department of Revenue any materials that
14 would reveal the identity of a personal or corporate taxpayer.

15 (c) The Commissioner of Internal Revenue or authorized representative,
16 for tax administration and compliance purposes only.

17 (d) For tax administration and compliance purposes, the proper officer or
18 authorized representative of any of the following entities that has or is
19 governed by a provision of law that meets the requirements of any applicable
20 provision of the Internal Revenue Code as to confidentiality:

21 (A) A state;

22 (B) A city, county or other political subdivision of a state;

23 (C) The District of Columbia; or

24 (D) An association established exclusively to provide services to federal,
25 state or local taxing authorities.

26 (e) The Multistate Tax Commission or its authorized representatives, for
27 tax administration and compliance purposes only. The Multistate Tax Com-
28 mission may make the information available to the Commissioner of Internal
29 Revenue or the proper officer or authorized representative of any govern-
30 mental entity described in and meeting the qualifications of paragraph (d)
31 of this subsection.

1 (f) The Attorney General, assistants and employees in the Department of
2 Justice, or other legal representative of the State of Oregon, to the extent
3 the department deems disclosure or access necessary for the performance of
4 the duties of advising or representing the department pursuant to ORS
5 180.010 to 180.240 and the tax laws of this state.

6 (g) Employees of the State of Oregon, other than of the Department of
7 Revenue or Department of Justice, to the extent the department deems dis-
8 closure or access necessary for such employees to perform their duties under
9 contracts or agreements between the department and any other department,
10 agency or subdivision of the State of Oregon, in the department's adminis-
11 tration of the tax laws.

12 (h) Other persons, partnerships, corporations and other legal entities, and
13 their employees, to the extent the department deems disclosure or access
14 necessary for the performance of such others' duties under contracts or
15 agreements between the department and such legal entities, in the
16 department's administration of the tax laws.

17 (i) The Legislative Revenue Officer or authorized representatives upon
18 compliance with ORS 173.850. Such officer or representative shall not remove
19 from the premises of the department any materials that would reveal the
20 identity of any taxpayer or any other person.

21 (j) The Department of Consumer and Business Services, to the extent the
22 department requires such information to determine whether it is appropriate
23 to adjust those workers' compensation benefits the amount of which is based
24 pursuant to ORS chapter 656 on the amount of wages or earned income re-
25 ceived by an individual.

26 (k) Any agency of the State of Oregon, or any person, or any officer or
27 employee of such agency or person to whom disclosure or access is given by
28 state law and not otherwise referred to in this section, including but not
29 limited to the Secretary of State as Auditor of Public Accounts under Article
30 VI, section 2, of the Oregon Constitution; the Department of Human Services
31 pursuant to ORS 412.094 **and section 1 of this 2016 Act**; the Division of

Child Support of the Department of Justice and district attorney regarding cases for which they are providing support enforcement services under ORS 25.080; the State Board of Tax Practitioners, pursuant to ORS 673.710; and the Oregon Board of Accountancy, pursuant to ORS 673.415.

(L) The Director of the Department of Consumer and Business Services to determine that a person complies with ORS chapter 656 and the Director of the Employment Department to determine that a person complies with ORS chapter 657, the following employer information:

(A) Identification numbers.

(B) Names and addresses.

(C) Inception date as employer.

(D) Nature of business.

(E) Entity changes.

(F) Date of last payroll.

(m) The Director of the Oregon Health Authority to determine that a person has the ability to pay for care that includes services provided by the Oregon State Hospital, or the Oregon Health Authority to collect any unpaid cost of care as provided by ORS chapter 179.

(n) Employees of the Employment Department to the extent the Department of Revenue deems disclosure or access to information on a combined tax report filed under ORS 316.168 is necessary to performance of their duties in administering the tax imposed by ORS chapter 657.

(o) The State Fire Marshal to assist the State Fire Marshal in carrying out duties, functions and powers under ORS 453.307 to 453.414, the employer or agent name, address, telephone number and standard industrial classification, if available.

(p) Employees of the Department of State Lands for the purposes of identifying, locating and publishing lists of taxpayers entitled to unclaimed refunds as required by the provisions of chapter 694, Oregon Laws 1993. The information shall be limited to the taxpayer's name, address and the refund amount.

(q) In addition to the disclosure allowed under ORS 305.225, state or local law enforcement agencies to assist in the investigation or prosecution of the following criminal activities:

(A) Mail theft of a check, in which case the information that may be disclosed shall be limited to the stolen document, the name, address and taxpayer identification number of the payee, the amount of the check and the date printed on the check.

(B) The counterfeiting, forging or altering of a check submitted by a taxpayer to the Department of Revenue or issued by the Department of Revenue to a taxpayer, in which case the information that may be disclosed shall be limited to the counterfeit, forged or altered document, the name, address and taxpayer identification number of the payee, the amount of the check, the date printed on the check and the altered name and address.

(r) The United States Postal Inspection Service or a federal law enforcement agency, including but not limited to the United States Department of Justice, to assist in the investigation of the following criminal activities:

(A) Mail theft of a check, in which case the information that may be disclosed shall be limited to the stolen document, the name, address and taxpayer identification number of the payee, the amount of the check and the date printed on the check.

(B) The counterfeiting, forging or altering of a check submitted by a taxpayer to the Department of Revenue or issued by the Department of Revenue to a taxpayer, in which case the information that may be disclosed shall be limited to the counterfeit, forged or altered document, the name, address and taxpayer identification number of the payee, the amount of the check, the date printed on the check and the altered name and address.

(s) The United States Financial Management Service, for purposes of facilitating the offsets described in ORS 305.612.

(t) A municipal corporation of this state for purposes of assisting the municipal corporation in the administration of a tax of the municipal corporation that is imposed on or measured by income, wages or net earnings

1 from self-employment. Any disclosure under this paragraph may be made only
2 pursuant to a written agreement between the Department of Revenue and the
3 municipal corporation that ensures the confidentiality of the information
4 disclosed.

5 (u) A consumer reporting agency, to the extent necessary to carry out the
6 purposes of ORS 314.843.

7 (v) The Public Employees Retirement Board, to the extent necessary to
8 carry out the purposes of ORS 238.372 to 238.384, and to any public employer,
9 to the extent necessary to carry out the purposes of ORS 237.635 (3) and
10 237.637 (2).

11 (3)(a) Each officer or employee of the department and each person de-
12 scribed or referred to in subsection (2)(a), (b), (f) to (L) or (n) to (q) of this
13 section to whom disclosure or access to the tax information is given under
14 subsection (2) of this section or any other provision of state law, prior to
15 beginning employment or the performance of duties involving such disclosure
16 or access, shall be advised in writing of the provisions of ORS 314.835 and
17 314.991, relating to penalties for the violation of ORS 314.835, and shall as
18 a condition of employment or performance of duties execute a certificate for
19 the department, in a form prescribed by the department, stating in substance
20 that the person has read these provisions of law, that the person has had
21 them explained and that the person is aware of the penalties for the violation
22 of ORS 314.835.

23 (b) The disclosure authorized in subsection (2)(r) of this section shall be
24 made only after a written agreement has been entered into between the De-
25 partment of Revenue and the person described in subsection (2)(r) of this
26 section to whom disclosure or access to the tax information is given, pro-
27 viding that:

28 (A) Any information described in ORS 314.835 that is received by the
29 person pursuant to subsection (2)(r) of this section is confidential informa-
30 tion that may not be disclosed, except to the extent necessary to investigate
31 or prosecute the criminal activities described in subsection (2)(r) of this

section;

(B) The information shall be protected as confidential under applicable federal and state laws; and

(C) The United States Postal Inspection Service or the federal law enforcement agency shall give notice to the Department of Revenue of any request received under the federal Freedom of Information Act, 5 U.S.C. 552, or other federal law relating to the disclosure of information.

(4) The Department of Revenue may recover the costs of furnishing the information described in subsection (2)(L), (m) and (o) to (q) of this section from the respective agencies.

SECTION 4. ORS 314.840, as amended by section 3 of this 2016 Act, is amended to read:

314.840. (1) The Department of Revenue may:

(a) Furnish any taxpayer, representative authorized to represent the taxpayer under ORS 305.230 or person designated by the taxpayer under ORS 305.193, upon request of the taxpayer, representative or designee, with a copy of the taxpayer's income tax return filed with the department for any year, or with a copy of any report filed by the taxpayer in connection with the return, or with any other information the department considers necessary.

(b) Publish lists of taxpayers who are entitled to unclaimed tax refunds.

(c) Publish statistics so classified as to prevent the identification of income or any particulars contained in any report or return.

(d) Disclose a taxpayer's name, address, telephone number, refund amount, amount due, Social Security number, employer identification number or other taxpayer identification number to the extent necessary in connection with collection activities or the processing and mailing of correspondence or of forms for any report or return required in the administration of any local tax under ORS 305.620 or any law imposing a tax upon or measured by net income.

(2) The department also may disclose and give access to information described in ORS 314.835 to:

(a) The Governor of the State of Oregon or the authorized representative of the Governor with respect to an individual who is designated as being under consideration for appointment or reappointment to an office or for employment in the office of the Governor. The information disclosed shall be confined to whether the individual:

(A) Has filed returns with respect to the taxes imposed by ORS chapter 316 for those of not more than the three immediately preceding years for which the individual was required to file an Oregon individual income tax return.

(B) Has failed to pay any tax within 30 days from the date of mailing of a deficiency notice or otherwise respond to a deficiency notice within 30 days of its mailing.

(C) Has been assessed any penalty under the Oregon personal income tax laws and the nature of the penalty.

(D) Has been or is under investigation for possible criminal offenses under the Oregon personal income tax laws. Information disclosed pursuant to this paragraph shall be used only for the purpose of making the appointment, reappointment or decision to employ or not to employ the individual in the office of the Governor.

(b) An officer or employee of the Oregon Department of Administrative Services duly authorized or employed to prepare revenue estimates, or a person contracting with the Oregon Department of Administrative Services to prepare revenue estimates, in the preparation of revenue estimates required for the Governor's budget under ORS 291.201 to 291.226, or required for submission to the Emergency Board or the Joint Interim Committee on Ways and Means, or if the Legislative Assembly is in session, to the Joint Committee on Ways and Means, and to the Legislative Revenue Officer or Legislative Fiscal Officer under ORS 291.342, 291.348 and 291.445. The Department of Revenue shall disclose and give access to the information described in ORS 314.835 for the purposes of this paragraph only if:

(A) The request for information is made in writing, specifies the purposes

for which the request is made and is signed by an authorized representative of the Oregon Department of Administrative Services. The form for request for information shall be prescribed by the Oregon Department of Administrative Services and approved by the Director of the Department of Revenue.

(B) The officer, employee or person receiving the information does not remove from the premises of the Department of Revenue any materials that would reveal the identity of a personal or corporate taxpayer.

(c) The Commissioner of Internal Revenue or authorized representative, for tax administration and compliance purposes only.

(d) For tax administration and compliance purposes, the proper officer or authorized representative of any of the following entities that has or is governed by a provision of law that meets the requirements of any applicable provision of the Internal Revenue Code as to confidentiality:

(A) A state;

(B) A city, county or other political subdivision of a state;

(C) The District of Columbia; or

(D) An association established exclusively to provide services to federal, state or local taxing authorities.

(e) The Multistate Tax Commission or its authorized representatives, for tax administration and compliance purposes only. The Multistate Tax Commission may make the information available to the Commissioner of Internal Revenue or the proper officer or authorized representative of any governmental entity described in and meeting the qualifications of paragraph (d) of this subsection.

(f) The Attorney General, assistants and employees in the Department of Justice, or other legal representative of the State of Oregon, to the extent the department deems disclosure or access necessary for the performance of the duties of advising or representing the department pursuant to ORS 180.010 to 180.240 and the tax laws of this state.

(g) Employees of the State of Oregon, other than of the Department of Revenue or Department of Justice, to the extent the department deems dis-

1 closure or access necessary for such employees to perform their duties under
2 contracts or agreements between the department and any other department,
3 agency or subdivision of the State of Oregon, in the department's adminis-
4 tration of the tax laws.

5 (h) Other persons, partnerships, corporations and other legal entities, and
6 their employees, to the extent the department deems disclosure or access
7 necessary for the performance of such others' duties under contracts or
8 agreements between the department and such legal entities, in the
9 department's administration of the tax laws.

10 (i) The Legislative Revenue Officer or authorized representatives upon
11 compliance with ORS 173.850. Such officer or representative shall not remove
12 from the premises of the department any materials that would reveal the
13 identity of any taxpayer or any other person.

14 (j) The Department of Consumer and Business Services, to the extent the
15 department requires such information to determine whether it is appropriate
16 to adjust those workers' compensation benefits the amount of which is based
17 pursuant to ORS chapter 656 on the amount of wages or earned income re-
18 ceived by an individual.

19 (k) Any agency of the State of Oregon, or any person, or any officer or
20 employee of such agency or person to whom disclosure or access is given by
21 state law and not otherwise referred to in this section, including but not
22 limited to the Secretary of State as Auditor of Public Accounts under Article
23 VI, section 2, of the Oregon Constitution; the Department of Human Services
24 pursuant to ORS 412.094 [*and section 1 of this 2016 Act*]; the Division of Child
25 Support of the Department of Justice and district attorney regarding cases
26 for which they are providing support enforcement services under ORS 25.080;
27 the State Board of Tax Practitioners, pursuant to ORS 673.710; and the
28 Oregon Board of Accountancy, pursuant to ORS 673.415.

29 (L) The Director of the Department of Consumer and Business Services
30 to determine that a person complies with ORS chapter 656 and the Director
31 of the Employment Department to determine that a person complies with

1 ORS chapter 657, the following employer information:

2 (A) Identification numbers.

3 (B) Names and addresses.

4 (C) Inception date as employer.

5 (D) Nature of business.

6 (E) Entity changes.

7 (F) Date of last payroll.

8 (m) The Director of the Oregon Health Authority to determine that a
9 person has the ability to pay for care that includes services provided by the
10 Oregon State Hospital, or the Oregon Health Authority to collect any unpaid
11 cost of care as provided by ORS chapter 179.

12 (n) Employees of the Employment Department to the extent the Depart-
13 ment of Revenue deems disclosure or access to information on a combined
14 tax report filed under ORS 316.168 is necessary to performance of their duties
15 in administering the tax imposed by ORS chapter 657.

16 (o) The State Fire Marshal to assist the State Fire Marshal in carrying
17 out duties, functions and powers under ORS 453.307 to 453.414, the employer
18 or agent name, address, telephone number and standard industrial classi-
19 fication, if available.

20 (p) Employees of the Department of State Lands for the purposes of
21 identifying, locating and publishing lists of taxpayers entitled to unclaimed
22 refunds as required by the provisions of chapter 694, Oregon Laws 1993. The
23 information shall be limited to the taxpayer's name, address and the refund
24 amount.

25 (q) In addition to the disclosure allowed under ORS 305.225, state or local
26 law enforcement agencies to assist in the investigation or prosecution of the
27 following criminal activities:

28 (A) Mail theft of a check, in which case the information that may be
29 disclosed shall be limited to the stolen document, the name, address and
30 taxpayer identification number of the payee, the amount of the check and the
31 date printed on the check.

(B) The counterfeiting, forging or altering of a check submitted by a taxpayer to the Department of Revenue or issued by the Department of Revenue to a taxpayer, in which case the information that may be disclosed shall be limited to the counterfeit, forged or altered document, the name, address and taxpayer identification number of the payee, the amount of the check, the date printed on the check and the altered name and address.

(r) The United States Postal Inspection Service or a federal law enforcement agency, including but not limited to the United States Department of Justice, to assist in the investigation of the following criminal activities:

(A) Mail theft of a check, in which case the information that may be disclosed shall be limited to the stolen document, the name, address and taxpayer identification number of the payee, the amount of the check and the date printed on the check.

(B) The counterfeiting, forging or altering of a check submitted by a taxpayer to the Department of Revenue or issued by the Department of Revenue to a taxpayer, in which case the information that may be disclosed shall be limited to the counterfeit, forged or altered document, the name, address and taxpayer identification number of the payee, the amount of the check, the date printed on the check and the altered name and address.

(s) The United States Financial Management Service, for purposes of facilitating the offsets described in ORS 305.612.

(t) A municipal corporation of this state for purposes of assisting the municipal corporation in the administration of a tax of the municipal corporation that is imposed on or measured by income, wages or net earnings from self-employment. Any disclosure under this paragraph may be made only pursuant to a written agreement between the Department of Revenue and the municipal corporation that ensures the confidentiality of the information disclosed.

(u) A consumer reporting agency, to the extent necessary to carry out the purposes of ORS 314.843.

(v) The Public Employees Retirement Board, to the extent necessary to

1 carry out the purposes of ORS 238.372 to 238.384, and to any public employer,
2 to the extent necessary to carry out the purposes of ORS 237.635 (3) and
3 237.637 (2).

4 (3)(a) Each officer or employee of the department and each person de-
5 scribed or referred to in subsection (2)(a), (b), (f) to (L) or (n) to (q) of this
6 section to whom disclosure or access to the tax information is given under
7 subsection (2) of this section or any other provision of state law, prior to
8 beginning employment or the performance of duties involving such disclosure
9 or access, shall be advised in writing of the provisions of ORS 314.835 and
10 314.991, relating to penalties for the violation of ORS 314.835, and shall as
11 a condition of employment or performance of duties execute a certificate for
12 the department, in a form prescribed by the department, stating in substance
13 that the person has read these provisions of law, that the person has had
14 them explained and that the person is aware of the penalties for the violation
15 of ORS 314.835.

16 (b) The disclosure authorized in subsection (2)(r) of this section shall be
17 made only after a written agreement has been entered into between the De-
18 partment of Revenue and the person described in subsection (2)(r) of this
19 section to whom disclosure or access to the tax information is given, pro-
20 viding that:

21 (A) Any information described in ORS 314.835 that is received by the
22 person pursuant to subsection (2)(r) of this section is confidential informa-
23 tion that may not be disclosed, except to the extent necessary to investigate
24 or prosecute the criminal activities described in subsection (2)(r) of this
25 section;

26 (B) The information shall be protected as confidential under applicable
27 federal and state laws; and

28 (C) The United States Postal Inspection Service or the federal law
29 enforcement agency shall give notice to the Department of Revenue of any
30 request received under the federal Freedom of Information Act, 5 U.S.C. 552,
31 or other federal law relating to the disclosure of information.

1 (4) The Department of Revenue may recover the costs of furnishing the
2 information described in subsection (2)(L), (m) and (o) to (q) of this section
3 from the respective agencies.

4 **SECTION 5. (1) Sections 1 and 2 of this 2016 Act apply to dependent**
5 **care expenses made in tax years beginning on or after January 1, 2016,**
6 **and before January 1, 2022, and to disbursements made in calendar**
7 **years beginning on or after January 1, 2017, and before January 1, 2023.**

8 (2) The amendments to ORS 314.840 by section 3 of this 2016 Act
9 apply to tax years beginning on or after January 1, 2016, and before
10 January 1, 2022.

11 (3) The amendments to ORS 314.840 by section 4 of this 2016 Act
12 apply to tax years beginning on or after January 1, 2022.

13 **SECTION 6. This 2016 Act takes effect on the 91st day after the date**
14 **on which the 2016 regular session of the Seventy-eighth Legislative**
15 **Assembly adjourns sine die.**