

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF AMENDING METRO)	ORDINANCE NO. 20-1454
CODE TITLE VII TO ADD NEW CHAPTERS)	
7.05 “INCOME TAX ADMINISTRATION FOR)	Introduced by Chief Operating Officer
PERSONAL AND BUSINESS TAXES,” 7.06)	Marissa Madrigal in concurrence with
“PERSONAL INCOME TAX,” AND 7.07)	Council President Lynn Peterson
“BUSINESS INCOME TAX”)	

WHEREAS, on February 25, 2020, the Metro Council adopted Ordinance 20-1442.

WHEREAS, Ordinance 20-1442 imposed a tax of one percent beginning in tax year 2021 on the entire taxable income over \$200,000 if filing jointly and \$125,000 if filing singly on every resident of the district subject to tax under ORS chapter 316 and upon the taxable income over \$200,000 if filing jointly and \$125,000 if filing singly of every nonresident that is derived from sources within the district which income is subject to tax under ORS chapter 316 (the “Personal Income Tax”); and

WHEREAS, Ordinance 20-1442 also imposed a tax of one percent upon each person doing business within Metro if the gross receipts from all business income, both within and without Metro, is over \$5 million (the “Business Income Tax”); and

WHEREAS, the revenue derived from the taxes imposed by Ordinance 20-1442 will fund Supportive Housing Services; and

WHEREAS, before the taxes imposed by Ordinance 20-1442 could take effect, they required approval of the Metro area voters; and

WHEREAS, Resolution 20-5083 referred Ordinance 20-1442 (Supportive Housing Services) to the voters for approval, which was designated as Measure 26-210 by Multnomah County Elections and placed on the May 2020 ballot (the “Measure”); and

WHEREAS, on May 19, 2020, the Metro area voters approved the Measure, thereby approving the Personal Income Tax and Business Income Tax imposed in Ordinance 20-1442; and

WHEREAS, Ordinance 20-1442 stated that upon approval by the voters, the Metro Council would take further action to establish rules to enforce and implement the taxes imposed by the Measure, including: establishing rules to enforce and implement the Personal Income Tax include rules regarding penalties, interest, filing dates, required forms and documentation, residency determinations for income tax payment purposes, refunds and deficiencies, audit authority, overpayments, estimated payments, exemptions, appeals from income determinations, legal collection actions and any other provision deemed necessary to effectively and efficiently administer the taxes and achieve the purposes of the Measure; and

WHEREAS, Resolution 20-5083 stated that upon approval by the voters the Metro Attorney would assign the Measure’s sections with title, chapter and section numbers for the Metro Code as the Metro Attorney deemed appropriate based on current Metro Code titles, chapters and sections; and

WHEREAS, this ordinance codifies, amends and supplements the Measure; and

WHEREAS, the sections of the Measure establishing a Regional Oversight Committee are being codified in Metro Code Chapter 2.19 (Regional Oversight Committee); and

WHEREAS, the sections of the Measure regarding the programmatic aspects of providing Supportive Housing Services are being codified in a new Title XI, Chapter 11.01 of the Metro Code, with certain amendments as appropriate; and

WHEREAS, codifying the Measure's sections regarding tax imposition and establishing new code chapters to enforce, collect and implement the Personal Income Tax and Business Income Tax will ensure efficient and transparent enforcement and collection of the taxes; now therefore,

THE METRO COUNCIL ORDAINS AS FOLLOWS:

1. A new Metro Code Chapter 7.05 attached as Exhibit A and entitled "Income Tax Administration for Personal and Business Taxes" is added to Metro Code Title VII.
2. A new Metro Code Chapter 7.06 attached as Exhibit B and entitled "Personal Income Tax" is added to Metro Code Title VII.
3. A new Metro Code Chapter 7.07 attached as Exhibit C and entitled "Business Income Tax" is added to Metro Code Title VII.
4. This ordinance codifies, amends and supersedes the language in Measure 26-210. To the extent that any terms or conditions in Measure 26-210 conflict with the terms and conditions in this ordinance, this ordinance prevails.
5. Upon adoption of this ordinance, the Chief Operating Officer may adopt administrative rules to further implement any provision found in Chapters 7.05, 7.06 and 7.07. The Chief Operating Officer must provide a public comment period of not less than 30 days and notice of the public comment period in a manner reasonably calculated to reach interested parties. Any administrative rule adopted by the Chief Operating Officer pursuant to this ordinance will take effect immediately upon adoption.

6. The Metro Council finds that the homelessness crisis is an emergency that affects the health, safety and welfare of Metro area residents. The Metro Council further finds the need for this ordinance to become effective immediately upon adoption to avoid potential administrative issues that could possibly delay funding for the supportive housing services, as well as to allow the Chief Operating Officer to proceed with public comment and adoption of administrative rules to assist taxfilers and remove potential uncertainty. Finally, the Metro Council finds that because this ordinance does not impose a new tax, an emergency clause is appropriate under Metro Charter Section 38(1).

ADOPTED by the Metro Council this ____ day of December 2020.

Lynn Peterson, Council President

Attest:

Approved as to Form:

Jaye Cromwell, Recording Secretary

Carrie MacLaren, Metro Attorney