

OFFICE OF THE SECRETARY OF STATE
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NOTICE OF PROPOSED RULEMAKING INCLUDING STATEMENT OF NEED & FISCAL IMPACT

CHAPTER 150
DEPARTMENT OF REVENUE

FILED

07/31/2025 2:09 PM
ARCHIVES DIVISION
SECRETARY OF STATE

FILING CAPTION: Amend rule to allow applicants of the Agricultural Employer Overtime Tax Credit to appeal

LAST DAY AND TIME TO OFFER COMMENT TO AGENCY: 08/25/2025 5:00 PM

The Agency requests public comment on whether other options should be considered for achieving the rule's substantive goals while reducing negative economic impact of the rule on business.

CONTACT: Katie McCann
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955 Center St NE
Salem, OR 97301

Filed By:
Katie McCann
Rules Coordinator

HEARING(S)

Auxiliary aids for persons with disabilities are available upon advance request. Notify the contact listed above.

DATE: 08/25/2025

TIME: 9:00 AM

OFFICER: Robert Oakes

REMOTE HEARING DETAILS

MEETING URL: [Click here to join the meeting](#)

PHONE NUMBER: 503-446-4951

SPECIAL INSTRUCTIONS:

Join by video:

<https://www.microsoft.com/en-us/microsoft-teams/join-a-meeting>

Meeting ID: 243 825 509 018 6

Passcode: kq2mV7fs

Join by phone:

503-446-4951

Phone conference ID: 404 369 470#

NEED FOR THE RULE(S)

The statute for the mandatory agricultural employee overtime wages includes an agricultural employer income tax credit for overtime wages paid over the stated threshold hours. Employers must apply with the department.

Administrative rules are necessary to provide direction to employers that need to appeal the determination of their credit.

DOCUMENTS RELIED UPON, AND WHERE THEY ARE AVAILABLE

STATEMENT IDENTIFYING HOW ADOPTION OF RULE(S) WILL AFFECT RACIAL EQUITY IN THIS STATE

There are around 86,400 migrant and seasonal farmworkers in Oregon. With the family members (dependents) who accompany them they total nearly 173,000 individuals who depend on income from farm jobs. Most farmworkers (around 92 percent) in Oregon and Washington are Latinx and over three quarters of them were born in Mexico. The proposed rules do not directly affect this community, but the enacted overtime laws and employer credit are intended to benefit Oregon farmworkers.

FISCAL AND ECONOMIC IMPACT:

There is no fiscal or economic impact from these proposed rule adoptions.

COST OF COMPLIANCE:

(1) Identify any state agencies, units of local government, and members of the public likely to be economically affected by the rule(s). (2) Effect on Small Businesses: (a) Estimate the number and type of small businesses subject to the rule(s); (b) Describe the expected reporting, recordkeeping and administrative activities and cost required to comply with the rule(s); (c) Estimate the cost of professional services, equipment supplies, labor and increased administration required to comply with the rule(s).

(1) There are no costs to state agencies, units of local government, or the public for compliance with this proposed rule amendment.

(2)(a) There are approximately 40,000 agricultural employers that file income tax returns with agriculture or aquaculture activity reported that may qualify to apply for the income tax credit.

(b) None.

(c) None.

DESCRIBE HOW SMALL BUSINESSES WERE INVOLVED IN THE DEVELOPMENT OF THESE RULE(S):

A Rule Advisory Committee was initially involved in the development of the rules for the Agricultural Employer Overtime Tax Credit (AEOTC) program in 2023.

WAS AN ADMINISTRATIVE RULE ADVISORY COMMITTEE CONSULTED? NO IF NOT, WHY NOT?

The amendment is an administrative update and simply allows appeals to the Oregon Tax Court. A Rules Advisory Committee was previously used to adopt all Agricultural Employer Overtime Tax Credit rules.

AMEND: 150-315-0071

RULE SUMMARY: Applicants who receive a denial or adjustment notice for the Agricultural Employer Overtime Tax Credit can appeal.

CHANGES TO RULE:

150-315-0071

Appeal from a Notice of Denial or Adjustment: Application for Agricultural Employer Overtime Tax Credit.

(1) An employer that applied for the Agricultural Employer Overtime Tax Credit may appeal to the department if the department denies or adjusts the application submitted.¶

(2) An appeal request must be emailed to the email address provided in the Notice of Agricultural Employer Overtime Tax Credit Application Denial or Notice of Agricultural Employer Overtime Tax Credit Application Adjustment. ¶

(3) An appeal must be submitted to the department within 30 days of the date on the Notice of Agricultural Employer Overtime Tax Credit Application Denial or Notice of Agricultural Employer Overtime Tax Credit Application Adjustment. The appeal must include:¶

- (a) The reason for the appeal, and ¶
- (b) An explanation of the disagreement, and ¶
- (c) Documentation supporting the employer's position.¶
- (4) The department's appeal determination results are final and may not may be appealed to the Oregon Tax Court.

Statutory/Other Authority: ORS 305.100, ~~2022 Oregon Laws Chapter 115, Section 9~~ORS 315.133

Statutes/Other Implemented: ~~2022 Oregon Laws Chapter 115, Section 9~~ORS 315.133