



2007 OREGON INCOME TAX

Part-Year Residents and Nonresidents

Forms 40N, 40P, Schedule WFC-N/P, and instructions



**File your taxes
wherever you are**

Join nearly 1 million other Oregonians and file your taxes electronically. It's fast, secure, and easy. See page 2.



Free File Alliance

See if you qualify for free electronic filing at www.oregon.gov/DOR/1000.

Where's My Refund?

Check the status of your Oregon income tax refund at www.oregonrefund.com.

Get Forms Online

Download additional forms and publications at www.oregon.gov/DOR/PERTAX.



Oregon Department of Revenue
955 Center Street NE
Salem OR 97301-2555

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E-services

Electronic filing—fast, secure, and accurate

E-file is the fastest way to file your return and receive your refund. The speed and accuracy of computers allow electronic returns to be processed faster than paper returns, greatly reducing errors and delays. E-file uses secure technology to ensure the safety of your personal information once it is transmitted to the IRS and the Department of Revenue.

Oregon participates in the IRS Federal/State E-file program. This program allows you to electronically file **both** your federal and Oregon returns at the same time. If you have already filed your federal return, you may still electronically file your Oregon return.

If you haven't tried e-file yet, give it a try. Join more than 950,000 other Oregon taxpayers who electronically file their Oregon returns.

You may be eligible for free e-file

Several tax preparation software providers offer free online electronic tax filing. For free online tax preparation programs, go to our website at www.oregon.gov/DOR/1000.

Direct deposit = faster refunds

If you have a refund, the department can deposit it directly into your bank account. This option is quick and secure. See the instructions on page 36 to direct deposit your refund.

Electronic payments from your checking or savings account

You will be able to pay your current year income taxes or 2008 estimated income taxes directly from your checking or savings account. Go to our website for more information.

Credit card payments

You can also pay your current year income taxes or 2008 estimated income taxes with your Discover, MasterCard, or Visa credit card. See page 34 for more information.

More information about e-filing

Go to our website at www.oregon.gov/DOR/PERTAX. Click on "Publications" and download *Electronic Filing For Oregon*.

Getting started

You can take advantage of e-file in one of three ways:

1. Ask your tax preparer.

If your tax preparer is an authorized IRS e-file provider, your preparer can electronically file your federal and Oregon returns. Many Volunteer Income Tax Assistance (VITA) or Tax Counseling for the Elderly (TCE) sites set up by the IRS are authorized IRS e-file providers.

2. Off-the-shelf software.

With a computer, internet access, and the right software, you can file your federal and Oregon returns yourself. Ask your local software retailer about software programs offering the IRS's Federal/State E-file program. Make sure the program supports Oregon tax forms. For a list of approved tax software products and vendors, go to our website at www.oregon.gov/DOR/ESERV and click on "Approved software vendors."

3. Internet online service.

Go to the internet and check out the online filing services that offer the IRS's Federal/State E-file program. For links to online tax preparation programs, go to our website at www.oregon.gov/DOR/1001.



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How long will it take to get my refund?

Once the department begins processing returns, your return will be processed in the time frames listed. If you claim the Working Family Credit (WFC) or your return needs additional review for another reason, your return will take longer to process. Return processing time frames:

If you e-file your return	7–12 business days
If you mail your return before April 1	6–8 weeks
If you mail your return on or after April 1	8–11 weeks

To check if your refund has been issued, go to www.oregonrefund.com.

You will need to enter your Social Security number, filing status, and the refund you requested on your return (Form 40N or 40P, line 89).

The system will tell you if we are still processing your return or if we have recently finished processing it and are issuing your refund. Please wait at least the time indicated above before contacting us.

Your return and tax owed are due April 15, 2008. See page 34 for payment options.

Form 40V

For Oregon forms, please visit our website at

www.oregon.gov/DOR

and click on “Tax Forms”

New information

Federal tax liability subtraction. The federal tax subtraction limit has increased to \$5,500 (\$2,750 if married filing separately). See page 27.

Standard deduction amounts. The standard deduction amounts have changed. See page 27.

Charitable checkoffs. You can now donate all or part of your refund to the Oregon Historical Society. You may also donate all or part of your refund to 12 charities on your return and two additional charities from our list. See page 34 for more information.

Electronic payments from your checking or savings account. You will be able to pay your 2007 income taxes or 2008 estimated income taxes directly from your checking or savings account. There is no fee for this payment option. Go to our website for more information.

Military active duty pay. The subtraction for military active duty pay earned by an Oregon resident in Oregon increased to \$6,000 beginning with tax year 2007. There has also been a change to the subtraction for Oregon National Guard and reserve members for tax years 2001 and forward. Oregon National Guard and reserve members seeking a refund have a limited time to amend for prior years. For more information, download the publication *Military Personnel Filing Information* from our website or contact us to order it.

Exemption credit. Your exemption credit is reduced if your federal adjusted gross income is over the thresh-

old for your filing status. See page 30 to see if this affects you.

Mobile home owners. Were you required to move out of a mobile home park because the park closed? If so, you may qualify for a credit. This is different from the credit that was available for 2006 and does not require you to move your mobile home. Go to our website to download our publication *Mobile Home Park Closure* and Schedule MPC or contact us to order them.

New biofuel credit. A credit is available for consumers of qualifying biofuels. If you purchase and use B99, E85, solid biofuel (pellets), or heat your home with B20+, you may qualify for a credit. For more information, go to our website or contact us.

Did you participate in a REIT or RIC or have to file federal Form 8886? If so, Oregon now has a mandatory reporting requirement for participation in listed or reportable transactions. If you are required to report listed or reportable transactions to the IRS on Form 8886, you must check the box "You have Form 8886, REIT, or RIC." Retain the Form 8886 with your Oregon tax records. Do **not** attach a copy to your Oregon return. You must also check the box if you participated in a real estate investment trust (REIT) or regulated investment company (RIC) as defined in Senate Bill 39 of the 2007 Oregon Legislature.

Important reminders

Payment options. You can pay your 2007 income taxes, 2008 estimated income taxes, and any prior year income tax balances due with your credit card. See page 34.

Direct deposit. The Department of Revenue can deposit your refund directly into your account at most banks or other financial institutions. For direct deposit, contact your bank to make sure your deposit will be accepted and to get your correct routing and account numbers. The Department of Revenue is not responsible if your bank rejects your deposit. If it does, we will issue a paper check. See page 36.

Federal law. Oregon is tied to the federal definition of taxable income.* Oregon will automatically adopt any

future federal law changes to the definition of taxable income.

**Exception: The domestic production activities deduction from the federal return is not allowed on the Oregon return. If you claimed this deduction on your federal return, you'll have an addition on your Oregon return. See page 22.*

Filing extension. Use Form 40-EXT to obtain an automatic six-month extension of time to file your 2007 Oregon return. See page 15.

Blue or black ink only. Please use blue or black ballpoint ink for easier reading and faster processing. Equipment used to scan documents and checks cannot read gel ink or certain colors of ink, especially red or purple; using them will delay the processing of your return.

Form 40N

For Oregon forms, please visit our website at
www.oregon.gov/DOR
and click on "Tax Forms"

Form 40N

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Form 40N

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Form 40P

For Oregon forms, please visit our website at
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and click on "Tax Forms"

Form 40P

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General information

Should I file an Oregon return?

You must file an Oregon income tax return if your Oregon source income and income received while an Oregon resident is more than your standard deduction.

If your Oregon income is less than your standard deduction, you're not required to file a return for Oregon.

Full-year residents. Oregon taxes your income from all sources.

Part-year residents. Oregon taxes your income from all sources earned or received while you were an Oregon resident. Oregon also taxes your income from Oregon sources while you were a nonresident.

Nonresidents. Oregon taxes only your income from Oregon sources.

Filing thresholds

You must file an Oregon income tax return if:		
Your filing status is:	Age:	And your Oregon income is more than:
Can be claimed on another's return	Any	\$850*
Single	Under 65	\$1,825
	65 or over	\$3,025
Married, joint return	Both under 65	\$3,650
	One 65 or over	\$4,650
	Both 65 or over	\$5,650
Married, separate return <i>If spouse claims standard deduction</i>	Under 65	\$1,825
	65 or over	\$2,825
<i>If spouse itemizes deductions</i>	Any	\$0
Head of household	Under 65	\$2,940
	65 or over	\$4,140
Qualifying widow(er)	Under 65	\$3,650
	65 or over	\$4,650

* The larger of \$850 or your earned income plus \$300, up to your standard deduction amount for your filing status.

What does income from Oregon sources include?

Oregon income includes income shown on your federal return for services performed in Oregon.

If you have wages from an Oregon employer for services performed in Oregon and another state while you were a nonresident, and your Oregon wages are not stated separately on your W-2, compute your Oregon source income using the following formula:

$$\frac{\text{Days actually worked in Oregon}}{\text{Days actually worked everywhere}} \times \frac{\text{Total wages (line 8F)}}{\text{Total wages}} = \frac{\text{Oregon wages (line 8S)}}{\text{Total wages}}$$

Do not include holidays, vacation days, and sick days as actual work days. **However, you must** include sick pay, holiday pay, and vacation pay in total wages. You **must** attach an explanation from your employer. If Oregon is the only state you worked in, do not use this formula; all your earnings are taxable and must be reported in the Oregon column.

Example: Savannah lives in Idaho but works in Oregon. Of her 260 total days paid, she worked 138 days in Oregon and 92 days from her home in Idaho. She received 14 days vacation pay, eight days sick pay, and eight days holiday pay. She earned \$50,000 in wages. She figured the amount subject to Oregon tax as follows:

Total days paid	260
Less: Vacation days	(14)
Sick days	(8)
Holidays	(8)
Total days worked everywhere	230

$$\frac{\text{Days actually worked in Oregon (138)}}{\text{Days actually worked everywhere (230)}} \times \frac{\$50,000}{\text{(Total wages)}} = \$30,000$$

Savannah's compensation reported in the federal column, Form 40N, line 8F is \$50,000 and in the Oregon column, Form 40N, line 8S is \$30,000.

The following are considered other income from Oregon sources:

- Businesses, partnerships, limited liability companies taxed as partnerships, and S corporations located or doing business in Oregon—income (losses).
- Unemployment compensation received because of an Oregon job.
- Severance pay received because of an Oregon job.
- Oregon farm income (losses).
- Oregon estate and trust income (losses).
- Sale of Oregon property income (losses).
- Rents and royalties for use of Oregon property.
- Community property income. If you're a resident of Oregon and your spouse is a resident of a state with community property laws, you may be taxed on part of your spouse's income. Community property laws in the state where your spouse lives determine if you're taxed on any of your spouse's income. You may need more information from the state where your spouse lives. Go to our website to download the publication *Married Persons Filing Separate Returns* and for links to other states' tax websites.

What income is not included in Oregon sources?

- Interest and dividends. However, if they're from an Oregon business you own, or are received during the part of the year you were a resident, you must include them in Oregon income.
- Interstate transportation wages from an interstate railroad company, interstate motor carrier, air carrier, or motor private carrier. You must be a nonresident and have regularly assigned duties in more than one state. Download the publication *Amtrak Act (Interstate Transportation Wages)* from our website or contact us to order it.
- Oregon retirement income received while you were a nonresident unless you were domiciled in Oregon. See "Pensions and annuities" on page 20.
- Waterway or hydroelectric dam compensation, if you're a nonresident:
 - Working as crew or pilot on a vessel on a river between Oregon and another state, or
 - Working on a dam that spans a river between Oregon and another state.
- Military pay of a nonresident.

Residency

Am I a resident, nonresident, or part-year resident?

The following will help you decide:

- **You're a full-year Oregon resident**, even if you live outside Oregon, if **all** of the following are true:
 - You think of Oregon as your permanent home, and
 - Oregon is the center of your financial, social, and family life, and
 - Oregon is the place you intend to come back to when you're away.

You're still a full-year resident if:

- You temporarily moved out of Oregon, or
- You moved back to Oregon after a temporary absence.

You may also be considered a full-year resident if you spent more than 200 days in Oregon during 2007 or you're a nonresident alien as defined by federal law.

- **You're a nonresident** if your permanent home was outside Oregon all year.
- **You're a part-year resident** if you moved into or out of Oregon during 2007. You're **not** a part-year resident if:
 - You temporarily moved out of Oregon, or
 - You moved back to Oregon after a temporary absence.

Special-case Oregon residents. If you're an Oregon resident and you meet **all** the following conditions, you're considered a nonresident for tax purposes:

- You're an Oregon resident who maintained a permanent home outside Oregon the entire year, and
- You didn't keep a home in Oregon during any part of 2007, and
- You spent less than 31 days in Oregon during 2007.

Note: A recreational vehicle (RV) is not considered a permanent home outside of Oregon.

Oregon residents living abroad. Usually, you're considered a nonresident if you qualify for the federal earned income exclusion or housing exclusion for United States residents living abroad.

Filing status

Generally, you must use the same filing status for your Oregon and federal returns.

Exceptions for married persons when each spouse has a different Oregon residency status:

- **Full-year resident and part-year resident.** You may file separate Oregon returns. If you file separate returns for Oregon, you **must** use the married filing separately status. The full-year resident will file Form 40, and the part-year resident will file Form 40P. If you choose to file a joint return for Oregon, use Form 40P.
- **Full-year resident and nonresident.** You may file separate Oregon returns. If you file separate returns for Oregon, you **must** use the married filing separately status. The full-year resident will file Form 40, and the nonresident will file Form 40N. If you choose to file a joint return for Oregon, use Form 40N.
- **Part-year resident and nonresident.** You may file separate Oregon returns. If you file separate returns for Oregon, you **must** use the married filing separately status. The part-year resident will file Form 40P, and the nonresident will file Form 40N. If you choose to file a joint return for Oregon, use Form 40N.

Need more information? Download the publication *Married Persons Filing Separate Returns* from our website or contact us to order it.

Military personnel

Nonresidents stationed in Oregon. Oregon does not tax your military pay while you're stationed in Oregon. File Form 40N if you or your spouse had income from other Oregon sources or to claim a refund of Oregon tax withheld from your military pay.

Residents stationed outside Oregon. If you meet the requirements for special-case Oregon residents or Oregon residents living abroad on this page, file Form 40N. File Form 40 from the *Full-Year Resident* tax booklet if you don't meet the listed requirements.

Residents stationed in Oregon. If you're an Oregon resident stationed in Oregon, file Form 40 from the *Full-Year Resident tax* booklet.

Need more information? Download the publication *Military Personnel Filing Information* from our website or contact us to order it.

Filing for a deceased person

You must file a final personal income tax return for a person who died during the calendar year if a return normally would be required. See "Should I file an Oregon return?" on page 13. If a return is filed, please check the "deceased" box on the return. If you're responsible for the decedent's finances, sign the return "as personal representative" and have the spouse sign if a joint return. If there is no personal representative for a joint return, only the surviving spouse needs to sign. For more information, download *Survivor's Information* from our website or contact us to order it.

Are you filing a return and claiming a refund for someone who is now deceased and there is no court-appointed or certified personal representative? If so, file Form 243, *Claim to Refund Due a Deceased Person*, with the return. This will allow us to issue the refund check in your name. Download the form from our website or contact us to order it.

What form do I use?

Use Form 40N if any ONE of the following is true:

- You're a nonresident, or
- You're a special case Oregon resident (see "Special case Oregon residents" on page 14), or
- You and your spouse are filing jointly and one (or both) of you is a nonresident, or
- You meet the military personnel nonresident requirements explained on this page, or
- You qualified as an Oregon resident living abroad for the entire year.

Use Form 40P if any ONE of the following is true:

- You're a part-year resident, or
- You are filing jointly and one of you is a part-year resident and the other is a full-year resident, or
- You are filing jointly and both of you are part-year Oregon residents, or
- You qualified as an Oregon resident living abroad for part of the year.

Use Form 40 or 40S if any ONE of the following is true:

- You're a full-year resident, or
- You and your spouse are both full-year residents filing jointly.

Forms 40 and 40S are included in the *Full-Year Resident* booklet. Download the booklet from our website or contact us to order it.

When should I file my return?

The filing deadline for calendar year 2007 is **April 15, 2008**. If you cannot pay all or any of your tax by the due date, file your return anyway to avoid a late-filing penalty.

Returns for other tax periods are due by the 15th day of the fourth month after the close of your tax year.

What if I need more time to file?

If you need more time to file, you can request an extension. Complete an Oregon extension form, Form 40-EXT, if:

- You're making a tax payment to Oregon and you cannot file your Oregon return by April 15, 2008, or
- You're filing an extension for Oregon only.

Extensions must be filed by the due date of the return, April 15, 2008.

If you received a federal extension and you're expecting an Oregon refund, do not use Form 40-EXT. Oregon will allow you the same extension. Be sure to check box 7b on your Oregon return. Do not attach a copy of your federal extension to your Oregon return. Keep a copy of your federal extension with your records.

If you need to complete Form 40-EXT, download the form from our website or contact us to order it.

An extension does not mean more time to pay!

You must pay all tax you expect to owe when you file your extension. If you don't pay all the tax due with your extension, you'll owe interest on the unpaid balance after April 15, 2008, until the date of your payment. The 2008 interest rate is 9 percent per year. If the tax is not paid within 60 days of the date of our billing notice, the interest rate increases to 13 percent per year. You may also owe a late-payment penalty.

If you cannot pay all of the tax you expect to owe, pay what you can. Call us as soon as possible to set up a payment plan to reduce penalties and interest.

Were you stationed in a designated combat zone?

If you were stationed in a designated combat zone and received additional time to file your 2007 federal return and pay your 2007 tax, Oregon allows the same additional time to file and pay. **Write "Combat zone" in blue or black ink at the top left corner of your return.**

Penalties

You will owe a 5 percent late-payment penalty on any 2007 tax not paid by April 15, 2008. See page 33.

If you file more than three months after the due date or extension due date, a 20 percent late-filing penalty will be added, so you will owe a total penalty of 25 percent of any unpaid tax.

Exception: For information about penalty exceptions, go to our website and view *Computing Interest and Penalties on Tax You Owe*.

A 100 percent penalty is charged if you do not file a return for **three consecutive years** by the due date of the third year, including extensions. The penalty is 100 percent of the unpaid tax for each of the three years.

Interest on underpayment of estimated tax

You may owe interest on underpayment of estimated tax if:

- You owe \$1,000 or more on your return after credits and withholding, or
- You paid less than 90 percent of the tax due on each estimated tax payment due date.

For Form 40N or Form 40P, line 69 instructions, see page 34.

2008 estimated tax

Estimated tax is the amount of tax you expect to owe after credits and Oregon tax withheld when you file your 2008 Oregon individual income tax return.

Oregon estimated tax laws are not the same as federal estimated tax laws. Use Oregon instructions to decide if you need to make estimated tax payments for 2008.

Who must make estimated tax payments?

In most cases, people who **expect to owe \$1,000 or more** on their 2008 Oregon income tax return after credits and withholding must make estimated payments. You may need to make estimated payments if:

- You're self-employed and don't have Oregon tax withheld from your income.
- You received Oregon Lottery single ticket winnings of less than \$5,000. (Note: Single ticket winnings of \$5,000 or more are subject to Oregon withholding.)
- You receive income such as pensions, interest, or dividends, and Oregon tax is not withheld.
- You're a wage earner and expect to owe tax of \$1,000 or more on your 2008 return. You may want to increase the amount your employer withholds from your Oregon wages. Download the publication

Oregon Income Tax Withholding from our website or contact us to order it.

When do I pay?

Estimated tax due dates for 2008 taxes are April 15, 2008;* June 16, 2008; September 15, 2008; and January 15, 2009.

If paying with a check or money order, send your payment with Form 40-ESV, *Oregon Estimated Income Tax Payment Voucher*. Download the publication from our website or contact us to order it. If making an electronic payment from your checking or savings account or paying by credit card, see page 34.

* Please send your 2008 estimated tax payment and Oregon Form 40-ESV in a separate envelope from your 2007 Oregon income tax return. This will help us credit your payment more efficiently.

What if I'm self-employed?

If you're self-employed and do business in **Multnomah, Clackamas, or Washington counties**, you may need to file Form TM, *TriMet Self-Employment Tax Return*. If you're self-employed and do business in **Lane County**, you may need to file Form LTD, *Lane Transit District Self-Employment Tax Return*. Go to our website to download the forms, or contact us to order either form.

Frequently asked questions

Is my tax return private information?

Yes. All information provided on the return is confidential. Any Oregon Department of Revenue employee who gives out confidential information without your permission may be convicted of a Class C felony.

I'm moving. Will my refund check be forwarded to me?

Yes. If you move after you file your return, give us your new address. Download a Change of Address form from our website or contact us. Remember to file a change of address form with your local post office.

What tax records do I need to keep?

You need to keep:

- A complete copy of both your federal and state returns, even if you use a tax practitioner or file electronically.
- All original receipts, cancelled checks, statements, and other records you used to prepare your return. Save these records for at least **three years** from the **due date** of the return or three years from the **date you file** your return, whichever is **later**. If your return is **reviewed during processing or audited**, the law says you must show **proof** of your income and expenses.
- All records from the sale, purchase, or exchange of property and investments. Keep these records for at least three years after you report the gain or loss on the property or investment.

For more information, download the publication *Record-Keeping Requirements* from our website or contact us to order it.

What if I need to change my Oregon return after filing?

File an amended return. Use Form 40N or Form 40P to change (amend) your return. Check the amended return box in the upper left corner of the form. You must also complete and attach the *Oregon Amended Schedule* to your amended return. Download the schedule and instructions from our website or contact us to order it.

Generally, you're allowed three years from the due date of the return to file an amended return to claim a refund. If you need assistance, please contact us.

What if I'm audited by the IRS or another state?

If the IRS or another state makes changes that increase your Oregon taxable income, file an amended return to report and pay additional tax. If the changes reduce Oregon taxable income, you have two years from the date of the audit report to file an amended return to claim a refund. Include a copy of the audit report with your amended return.

Instructions for Forms 40N and 40P

Step 1: Fill out your federal form.

Your Oregon tax is determined using the ratio of your Oregon source income to your entire federal income. **Fill out your federal return first**, then your Oregon return. You must attach a copy (front and back) of your federal Form 1040, 1040A, 1040EZ, 1040NR, or 1040NREZ to your Oregon tax return. **Do not attach any federal schedules.** We may ask for copies of schedules or additional information later.

See "What tax records do I need to keep?" on page 16.

Step 2: Select the appropriate form.

To decide whether to use Form 40N or 40P, see page 15.

Step 3: Fill out the Oregon form.

Residency

Enter the dates you were an Oregon resident during 2007. For example, "01/01/2007 to 04/15/2007," or "03/01/2007 to 12/31/2007."

Fiscal year filers only

Write the end date of your fiscal year in the space. **Write "Fiscal year" in blue or black ink at the top left corner of your return.**

Name and address

Type or clearly print your name, Social Security number, date of birth, complete mailing address, and daytime telephone number on your return. If you are married filing separately do not fill in your spouse's name and SSN here, enter it on line 3 instead. If the taxpayer died in 2007 or 2008, please check the "deceased" box next to their name.

Social Security number (SSN). The request for your SSN is authorized by Section 405, Title 42, of the United States Code. You must provide this information. It will be used to establish your identity for tax purposes only.

Individual Taxpayer Identification Number (ITIN). If the IRS issued you an ITIN because you don't have a Social Security number, enter your ITIN wherever your SSN is requested.

If you don't have an ITIN, you need to request one from the IRS. In this case, **write "Applied for" wherever your SSN is requested, or leave blank**, and file your return by April 15, 2008. **Do not** attach your ITIN application (federal Form W-7) to your Oregon tax return. For a copy of Form W-7, go to the IRS website at www.irs.gov or call the IRS toll-free at 1-800-829-1040. When the IRS issues you an ITIN, send a copy of your ITIN letter to the Oregon Department of Revenue.

Date of birth. Enter the month, day, and year you were born. For example, "12/23/1976."

Check the boxes

Filing status

1 – **5** Check the box next to your filing status. If you file as **head of household**, enter the name of a person who qualifies you for head of household filing status next to box 4. Please enter only one name.

Use the **same filing status** you used on your federal return. **Exception:** If you and your spouse do not have the same residency status, you may file separate returns for Oregon even if you filed your federal return as married filing jointly. To determine which filing status to use for Oregon, see page 14.

How to file separate returns for Oregon

If you're **married filing separately (MFS)**, fill in your spouse's first name, last name (first four letters only),

and Social Security number next to box 3. Do **not** fill in your spouse's name or Social Security number in the heading of the return.

If you **file separate returns for Oregon only**, report your own share of federal adjusted gross income (AGI) and deductions. Also, report your share of any Oregon additions or subtractions using this formula to determine your percentage:

$$\frac{\text{Your share of federal AGI}}{\text{Joint federal AGI}} = \text{Your percentage (not to exceed 100\%)}$$

Write "MFS for Oregon only" in blue or black ink at the top left corner of your return. Attach the following to **both** Oregon returns:

- A federal Form 1040, 1040A, 1040EZ, 1040NR, or 1040NR-EZ prepared as if you had filed married filing separately, and
- A copy of the joint Form 1040, 1040A, 1040EZ, 1040NR, or 1040NR-EZ you **actually** filed.

If possible, mail both spouses' Oregon returns in the **same** envelope. **Do not** staple the returns together.

Download the publication *Married Persons Filing Separate Returns* from our website or contact us to order it.

Exemptions

6a & 6b Yourself and spouse. Check "Yourself" and other boxes that apply. **If someone else can claim you as a dependent (even if they did not), do not check "Yourself;"** instead enter -0- in the total box on 6a unless you have a severe disability.

Severely disabled. Did you have a severe disability at the end of 2007? If so, you may claim an additional exemption credit. This credit is different from the exemption credit for a child with a disability. You may claim the severely disabled exemption even if someone else can claim you as a dependent. You're considered to have a severe disability if **any** of the following apply:

- You permanently lost the use of one or both feet, or
- You permanently lost the use of both hands, or
- You are permanently blind, or
- You have a permanent condition that, without special equipment or outside help, limits your ability to:
 - Earn a living, or
 - Maintain a household, or
 - Transport yourself.

Special equipment doesn't include items such as eyeglasses, contact lenses, ordinary crutches, or hearing aids. Deafness alone does not qualify.

You don't qualify for this exemption if:

- You have a temporary disability from an injury or illness and are expected to recover, or

- Your condition keeps you from doing your former work but doesn't prevent you from doing other kinds of work without special equipment.

If you have a permanent severe disability, your physician must write a letter describing your disability. Keep the letter with your permanent records in case we request a copy.

If you qualify, check the "Severely disabled" exemption box on line 6a. If your spouse qualifies, check the "Severely disabled" exemption box on line 6b. You and your spouse may also qualify for the loss of use of limbs credit. For more information, please contact us.

6c All dependents. Enter the number of your dependents in box 6c. Write their first names on the line. In most cases, you must claim the same dependents that are on your federal return. If all first names do not fit on the line, write the names on a statement instead. Number the statement and attach it to your return. Write "STM" and the statement number on line 6c.

6d Children with a disability. You may be entitled to an additional personal exemption for your dependent child who has a qualifying disability. To qualify, **all** of the following must be true:

- Your child qualified as your dependent for 2007, **and**
- Your child was eligible for "early intervention services," **or** received special education as defined by the state board of education where the child attends school, **and**
- Your child was considered to have a disability as of December 31, 2007 under the federal Individuals with Disabilities Education Act. Eligible disabilities include:
 - Autism.
 - Deaf-blind.
 - Hearing impairment.
 - Mental retardation.
 - Multiple disabilities.
 - Orthopedic impairment.
 - Other health impairment.
 - Serious emotional disturbance.
 - Traumatic brain injury.
 - Visual impairment.

Note: Learning disabilities or communication disorders alone do **not** qualify.

You must get a statement of eligibility that confirms one of the disabilities listed on the previous page and above and a cover sheet from **one** of the following:

- The child's Individualized Education Program (IEP), or
- The child's Individualized Family Service Plan (IFSP).

Keep the statement and cover sheet with your permanent records. Write your disabled child's name on line 6d, "Disabled children only." If the first names

of your disabled children do not fit on the line, write the names on a statement instead. Number the statement and attach it to your return. Write "STM" and the statement number on line 6d. Also be sure to include the same child's name on line 6c for "All dependents."

7a **Age 65 or older, or blind.** Check the boxes on line 7a if you or your spouse were age 65 or older or were blind on December 31, 2007. You're entitled to a larger standard deduction on line 44.

If you or your spouse are permanently blind, you may also qualify for the severely disabled exemption credit. For box 6a and 6b instructions, see page 18.

7b **Extension.** If you filed for an extension, check box 7b. For more information, see page 15.

7c **Federal Form 8886, REIT, or RIC.** Check box 7c if you filed federal Form 8886, *Reportable Transaction Disclosure Statement* or participated in a real estate investment trust (REIT) or regulated investment company (RIC).

7d **Oregon Form 24.** Did you file federal Form 8824 because you're deferring gain on exchanged property? If so, check the box on line 7d. Also, complete and attach Form 24, *Oregon Like-Kind Exchanges/Involuntary Conversions*. Download the form from our website or contact us to order it.

Form 40N and 40P line instructions

The following instructions are for lines not fully explained on the forms.

Amended return. If you're amending your 2007 return, check the box in the upper left corner of Form 40N or Form 40P and attach the *Oregon Amended Schedule*.

Do not fill in cents. You must round off cents to the nearest whole dollar. For example, \$99.49 becomes \$99.00 and \$99.50 becomes \$100.00.

The forms have two columns for figures. These are to compare your total federal adjusted gross income (column F) to the portion of your federal adjusted gross income that Oregon taxes (column S).

Federal column (F) instructions, lines 8F–30F

The first column is labeled "Federal column (F)." For lines 8F–30F of the federal column, fill in the same amounts you reported on your federal return. If you have adjustments on your federal return that are not shown on lines 22–27, see page 22 for instructions on filling out lines 28F and 28S.

Line 30F, "Income after adjustments," must match your 2007 federal adjusted gross income from federal Form 1040, line 37; Form 1040A, line 21; Form 1040EZ, line 4; Form 1040NR, line 35; or Form 1040NR-EZ, line 10. If it does not match, check that you transferred the figures from your federal return correctly. If you need help, please contact us.

Oregon column (S) instructions, lines 8S–30S

The second column is labeled "Oregon column (S)." Use this column to list the amounts from the federal column that Oregon taxes.

Nonresidents. Oregon taxes only your income from **Oregon sources**. To compute your Oregon source income, see "What does income from Oregon sources include?" on page 13.

Part-year residents. Oregon taxes your income from **all sources** earned or received while you were an Oregon resident. Oregon also taxes your income from **Oregon sources** while you were a nonresident. To compute your Oregon source income, see "What does income from Oregon sources include?" on page 13.

Full-year residents. Oregon taxes your income from **all sources**. All amounts included in the federal column should also be included in the Oregon column.

8S **Wages, salaries, and other pay for work. Part-year residents**—fill in amounts you earned while an Oregon resident and any amounts you earned working in Oregon while you were a nonresident.

Full-year residents—fill in all income included in the federal column.

Nonresidents—fill in the amount earned while working in Oregon. If that amount differs from the Oregon wages on your W-2 form, you must attach an explanation from your employer to your return and attach a statement explaining your calculations. If your Oregon wages are not stated separately on your W-2, compute your Oregon source income using the following formula:

$$\frac{\text{Days actually worked in Oregon}}{\text{Days actually worked everywhere}} \times \frac{\text{Total wages}}{\text{(line 8F)}} = \frac{\text{Oregon wages}}{\text{(line 8S)}}$$

Do not include holidays, vacation days, and sick days as days actually worked. **However, you must** include sick *pay*, holiday *pay*, and vacation *pay* in total wages. See the example on page 13. If Oregon is the only state you worked in, do not use this formula; all your earnings are taxable and should be reported in the Oregon

column. If line 8S doesn't match your W-2, attach a statement explaining your calculations.

Exceptions:

- If you're a nonresident with interstate transportation wages, you may qualify for special treatment under the Amtrak Act. Download the publication *Interstate Transportation Wages (Amtrak Act)* from our website or contact us to order it.
- Nonresidents who work on Bonneville, The Dalles, John Day, or McNary dam should exclude this income from the Oregon column. Write the name of the dam you work on at the top left corner of the return. Please use **blue or black** ink.
- Nonresidents who work as crew or pilots on a vessel on the Columbia River or Snake River waterway should exclude this income from the Oregon column. Write "Waterway worker" at the top left corner of the return. Please use **blue or black** ink.
- Nonresident members of the U.S. Armed Forces stationed in Oregon should not enter their military pay in the Oregon column. Military pay of a nonresident is not Oregon source income. Do not report it in the Oregon column on line 8S. Write "Military nonresident" at the top left corner of the return. Please use **blue or black** ink.

9S Taxable interest income. Determine the amount of interest income you received from an Oregon business activity while you were a nonresident. Add any interest included on your federal return that you received during the part of the year you were an Oregon resident.

10S Dividend income. Determine the amount of dividends received from an Oregon business activity source while you were a nonresident. This includes dividends passed through to you from an S corporation or partnership doing business in Oregon. These are dividends your S corporation or partnership received on the stock of another corporation. Add any dividend income included on your federal return that you received during the part of the year you were an Oregon resident.

11S State and local income tax refunds. Enter the amount reported on your federal return that is:

- A refund from Oregon or any other state or locality for which you claimed a deduction on an Oregon return in a prior year, or
- A refund received during the part of the year you were an Oregon resident.

12S Alimony received. Fill in alimony you received for the part of the year you were an Oregon resident.

13S Business income or loss. Determine the amount of income or loss from an Oregon business activity for the part of the year you were a nonresident.

Add all business income or losses incurred during the part of the year you were a resident of Oregon.

14S Capital gain or loss. Determine the amount of gain or loss and capital gain distributions from Oregon sources for the part of the year you were a nonresident. Add the amount of your capital gains received and losses incurred during the part of the year you were an Oregon resident. Limit losses to \$3,000 (\$1,500 if married filing separately).

15S Other gains or losses. Determine the amount of gain or loss from Oregon sources for the part of the year you were a nonresident. Add the gain received or loss incurred during the part of the year you were an Oregon resident.

16S IRA distributions. Determine the amount of any taxable individual retirement arrangement (IRA) distributions you received while an Oregon resident. Include any amounts you converted from a regular IRA into a Roth IRA while you lived in Oregon. If you lived in another state when you made contributions to your IRA, you may need more information. If so, please contact us.

17S Pensions and annuities. Enter the amount of taxable pensions and annuities (including federal pensions) you received while an Oregon resident. Do not include any Railroad Retirement Benefits (RRB-1099-R). If you're domiciled in Oregon, you must also include any Oregon source pensions you received. This is true even though you may qualify as a nonresident under the tests for special case Oregon residents or Oregon residents living abroad. See page 14.

For example, if you lived in Oregon before you retired **and have not changed your permanent home to another state**, you must report the pension you earned while you worked in Oregon. If you get a federal pension, you may qualify for a subtraction on lines 37F and 37S. See page 23. If you need help, please contact us.

18S Rents, royalties, partnerships, limited liability companies, real estate investment trusts (REITs), estates, trusts, etc., from federal Schedule E. Determine the income you received and losses incurred from Oregon sources during the part of the year you were a nonresident. Add the amount received or incurred during the part of the year you were an Oregon resident. Partners and S corporation shareholders may need more information. If so, please contact us.

19S Farm income or loss. Determine the amount of income received or loss incurred from an Oregon farm while you were a nonresident. Add the amount of farm income received or loss incurred during the part of the year you were an Oregon resident.

20S Unemployment compensation, taxable Social Security, and all other taxable income. Determine the amount of unemployment compensation and any other taxable income you received during the part

of the year you were an Oregon resident. Add unemployment compensation or severance pay received because of an Oregon job, and any other Oregon source income you received while you were a nonresident. Don't include Social Security, Railroad Retirement Board benefits, or Railroad Retirement Board unemployment benefits; Oregon doesn't tax this income.

Include all payments received from the Oregon Lottery in the Oregon column. Oregon Lottery includes Powerball tickets you purchased in Oregon. To determine whether you can subtract some or all of this amount on lines 37F and 37S, see page 25.

Adjustments to income

22S IRA or self-employed SEP and SIMPLE contributions. Oregon follows the federal definition of earned income and compensation used to calculate your IRA and other retirement plan deductions. Determine the amount you paid during the part of the year you were an Oregon resident. Add the amount calculated for the time you were a nonresident.

- **IRA.** Use the following formula to determine your deduction for the part of the year you were a nonresident:

$$\frac{\text{Oregon earned income while a nonresident}}{\text{Total earned income while a nonresident}} \times \text{IRA contributions made while a nonresident} = \text{Nonresident deduction}$$

This deduction cannot be more than the amount of earned income included in the Oregon column.

- **Self-employed SEP, SIMPLE, and qualified plans.** Use the following formula to determine your allowable deduction for the part of the year you were a nonresident:

$$\frac{\text{Oregon compensation while a nonresident}}{\text{Total compensation while a nonresident}} \times \text{Contributions made while a nonresident} = \text{Nonresident deduction}$$

This deduction cannot be more than the amount of compensation included in the Oregon column.

23S Education deductions. The following instructions will help you figure the amount you can claim on your Oregon return.

- **Educator expenses deduction** from federal Form 1040, line 23; or Form 1040A, line 16. For the part of the year you were a nonresident, determine the amount of qualified educator expenses you paid while working in an Oregon elementary or secondary school. Add the qualified educator expenses you paid during the part of the year you were an Oregon resident. Enter the smaller of the result or the amount deducted on your federal return, but no more than \$250 (no more than \$500 if you and your

spouse are filing jointly and both of you were eligible educators).

- **Student loan interest deduction** from federal Form 1040, line 33; or Form 1040A, line 18.

Use the following formula to calculate your deduction for the part of the year you were a nonresident:

$$\frac{\text{Oregon source income while a nonresident}}{\text{Total income from all sources while a nonresident}} \times \frac{\text{Student loan interest paid while a nonresident}}{\text{Total income from all sources while a nonresident}} = \text{Nonresident deduction}$$

Add all interest paid during the part of the year you were an Oregon resident. Enter the result or the amount of student loan interest on line 23S, whichever is less.

- **Tuition and fees deduction** from federal Form 1040, line 34; or Form 1040A, line 19.

Use the following formula to calculate your deduction for the part of the year you were a nonresident:

$$\frac{\text{Oregon source income while a nonresident}}{\text{Total income from all sources while a nonresident}} \times \frac{\text{Qualified tuition and fees paid while a nonresident}}{\text{Total income from all sources while a nonresident}} = \text{Nonresident deduction}$$

Add all qualified education expenses you paid during the part of the year you were an Oregon resident. Enter the result or the amount of tuition and fees deduction on line 23S, but no more than \$4,000.

Note: If you were not allowed a federal tuition and fees deduction because you claimed the federal credit, do not claim a deduction on line 23. You may be entitled to a subtraction on line 37. See page 25.

Add the Oregon amounts for your educator expenses deduction, student loan interest deduction, and tuition and fees deduction. Enter the total on line 23S.

24S Moving expenses. Fill in moving expenses **only** if:

- You qualified to take them on your federal return, and
- They are connected with gaining employment in Oregon, or
- You paid the qualified moving expenses after moving to Oregon to take a job in another state.

Otherwise, enter -0-.

Example 1: Sofia moved from California to Washington to take a job **in Oregon**. She may claim her federal moving expenses in **both** the federal and the Oregon columns.

Example 2: David left Oregon to take a job in another state. He **cannot** claim any of his moving expenses in the Oregon column. He may **only** claim them in the federal column.

Example 3: Camille moved from Michigan to Oregon in May 2007, to begin work in Washington. She paid

her moving expenses in June 2007. While the expenses are not related to Oregon employment, Camille can claim them in both columns because they were paid after she became an Oregon resident.

25S Deduction for self-employment tax. Use the following formula to determine the amount of your self-employment tax on earnings taxed by Oregon:

$$\frac{\text{Self-employment earnings taxed by Oregon}}{\text{Total self-employment earnings}} \times \frac{\text{Federal deduction for self-employment tax}}{\text{self-employment tax}} = \text{Oregon deduction}$$

The Oregon deduction cannot be more than the federal deduction.

26S Self-employed health insurance deduction. Oregon allows a deduction of 100 percent of your health insurance premiums related to your self-employment for the part of the year you were an Oregon resident. Add the health insurance premiums paid by your Oregon business while a nonresident. Your total Oregon deduction cannot be more than your federal deduction.

27S Alimony paid. Determine if the alimony you paid to your former spouse is deductible for federal purposes. If so, use the following formula to calculate your Oregon deduction for the part of the year you were a nonresident:

$$\frac{\text{Oregon source income while a nonresident}}{\text{Total income while a nonresident}} \times \frac{\text{Alimony paid while a nonresident}}{\text{nonresident}} = \text{Nonresident deduction}$$

Add to that amount the alimony you paid while you were a resident.

28F/S Other adjustments to income. On line 28F (federal column), include any of the other adjustments, listed below, that you claimed on your federal return. On line 28S (Oregon column), enter the amount of other adjustments you're entitled to claim for Oregon. Please identify the other adjustment(s) using the numeric code shown. If you have only one "Other adjustment," enter the numeric code on line 28x and the amount on lines 28y and 28F. For example, if you're claiming a \$500 health savings account deduction on your federal return, enter "003" on line 28x and "\$500" on lines 28y and 28F. If you're claiming more than one "Other adjustment," do not enter a code or amount on line 28x or 28y. Instead, check box 28z and attach Schedule OR-A-N/P to your return with the numeric codes and amounts for the **federal** column of the adjustments. Enter the total from Schedule OR-A-N/P on line 28F. Determine the amount for Oregon and enter it on line 28S.

"Other adjustments" claimed on federal return:

- Certain business expenses of reservists, performing artists, and fee-basis government officials from federal Form 1040, line 24 [code 002].

- Domestic production activities deduction from federal Form 1040, line 35 [code 006].

Note: If you claimed a domestic production activities deduction on your federal return, you will have an addition on your Oregon return. Oregon does not allow this deduction. See "Other additions" instructions below.

- Health savings account deduction from federal Form 1040, line 25 [code 003].
- Penalty on early withdrawal of savings from federal Form 1040, line 30 [code 004].
- Any other adjustment to income reported on federal Form 1040, line 36 [code 005].

Additions

Generally, additions are items not taxed by the federal government, but taxed by Oregon. Additions increase the income taxed by Oregon.

31F/S Interest and dividends on state and local government bonds outside Oregon.

Federal column. If you didn't include this income in your federal income, fill in the amount of interest and dividends you received from state and local governments outside Oregon.

Oregon column. Nonresidents—don't fill in any amount. **Full-year and part-year residents**—if you didn't include this income on line 9S or 10S, fill in the amount of interest and dividends you received from state and local governments outside Oregon while you were an Oregon resident.

32F/S Federal election on interest and dividends of a minor child. Did you report interest or dividends of your minor child on your federal return? If so, you must add to Oregon income the amount subject to the special federal tax.

Federal column. Fill in the smaller of line 13 or 14 from federal Form 8814. Add to that any interest or dividends your child received from state and local governments outside Oregon.

Oregon column. Nonresidents—don't fill in any amount. **Full-year and part-year residents**—fill in interest and dividends received while the minor child was an Oregon resident. Include interest and dividends your child received while an Oregon resident from state and local governments other than Oregon.

33F/S Other additions. You may need to report one or more other additions explained here. Please identify the addition using the numeric code shown. If you have only one "Other addition," enter the numeric code on line 33x and the amount for the **federal** column on lines 33y and 33F. For example, if you're reporting a \$1,000 addition for a depreciation difference for Oregon, enter "101" on line 33x and "\$1,000" on lines 33y and 33F.

If you're claiming more than one "Other addition," do not enter a code or amount on line 33x or 33y. Instead, check box 33z and attach Schedule OR-A-N/P to your return with the numeric codes and amounts for the **federal** column of the additions. Enter the total from Schedule OR-A-N/P on line 33F. Determine the amount for Oregon and enter it on line 33S. For more information, go to our website, or contact us.

- **Depreciation difference for Oregon [code 101].** Is your depreciation for Oregon purposes different from your depreciation for federal purposes? If so, you'll need the Oregon Depreciation Schedule. Part-year residents and nonresidents may need to complete two depreciation schedules. Download the schedule from our website or contact us to order it.
- The following additions apply to only a few people and are not explained in this booklet. Make the additions in **both** the federal and Oregon columns as appropriate. For more information, please contact us.
 - 529 Oregon College Savings Network plan non-qualified withdrawal [code 117].
 - Basis adjustments [code 101].
 - Gain or loss on the sale of depreciable property with different basis for Oregon.
 - Passive activity losses.
 - Business credit, unused [code 122].
 - Business deduction add back for Oregon credits [code 104].
 - Income taxes paid to another state.
 - Self-employed long-term care insurance deductions.
 - Claim of right income repayments [code 103].
 - Disposition of inherited Oregon farmland or forestland [code 106].
 - Domestic production activities deduction [code 102].
 - Fiduciary adjustments [code 100].
 - Accumulation distribution from a trust.
 - Fiduciary adjustments from Oregon estates and trusts.
 - Individual Development Account [code 113].
 - Net operating loss, non-Oregon source [code 116].
 - Oregon deferral of reinvested capital gain [code 118].
 - Partnership and S corporation modifications for Oregon [code 119].
 - Specially taxed income under federal law [code 115].
 - Lump-sum distributions from a qualified retirement plan.
 - Passive foreign investment income.

Subtractions

Generally, subtractions are items the federal government taxes but Oregon does not. Subtractions reduce the income taxed by Oregon.

36F Social Security and tier 1 Railroad Retirement Board benefits. Subtract Social Security and tier 1 Railroad Retirement Board benefits **only** if you included them in the federal column on line 20F.

37F/S Other subtractions. You may qualify for one or more other subtractions explained in this section. Please identify the subtraction using the numeric code shown. If you have only one "Other subtraction," enter the numeric code on line 37x and the amount for the **federal** column on lines 37y and 37F. For example, if you're claiming a \$2,000 military pay subtraction, enter "319" on line 37x and "\$2,000" on lines 37y and 37F.

If you're claiming more than one "Other subtraction," do not enter a code or amount on line 37x or 37y. Instead, check box 37z and attach Schedule OR-A-N/P to your return with the numeric codes and amounts for the **federal** column of the subtractions. Enter the total from Schedule OR-A-N/P on line 37F. Determine the amount for Oregon and enter it on line 37S. For more information, go to our website or contact us.

- **Claim of right income repayments [code 302].** Were you taxed in a prior year on income that you're repaying, such as unemployment compensation? If so, you may be able to subtract the income you repaid. For more information, please contact us.

- **Depreciation difference for Oregon [code 304].** Is your depreciation for Oregon purposes different from your depreciation for federal purposes? If so, you'll need the Oregon Depreciation Schedule. Part-year residents and nonresidents may need two schedules. Download the schedule from our website or contact us to order it.

- **Federal pension income [code 307].** You may be able to subtract some or all of your federal pension included in 2007 federal income. This includes retirement benefits paid to the retiree or the beneficiary. The subtraction amount is based on the number of months of federal service before and after October 1, 1991:

- **If all your months of federal service were before October 1, 1991,** subtract 100 percent of the taxable amount of federal pension income you reported on your federal return.

- **If you have no months of service before October 1, 1991,** you cannot subtract any federal pension.

- **If your service was both before and after October 1, 1991,** you will subtract a percentage of the taxable federal pension income you reported on your federal return. To determine your percentage, divide your months of service before October 1, 1991, by your total months of service. Round to three places (example: $.4576 = 45.8$ percent). Once you determine the percentage, it will remain the same year to year. For more than one pension, figure the percentage and subtraction separately for each pension.

Example: Delaney began working for the U.S. Forest Service May 27, 1976, and retired January 7, 2007. She worked a total of 367 months; 184 months were worked before October 1, 1991. Delaney moved to Oregon May 31, 2007. She can subtract 50.1 percent ($184 \div 367$) of her taxable federal pension. She will use this percentage for both her federal column and her Oregon column. She will multiply the percentage by the amount in each column to determine the correct subtraction for each column.

On her Form 40P, line 17F, she has \$14,000 and on line 17S she has \$8,911. Her federal pension subtraction for the federal column is \$7,014 ($\$14,000 \times .501$). Her federal pension subtraction for the Oregon column is \$4,464 ($\$8,911 \times .501$). Since she is only claiming one "Other subtraction," Delaney will enter "307" on line 37x and "\$7,014" on line 37y. Then she will enter "\$7,014" on line 37F and "\$4,464" on line 37S. She will continue to subtract 50.1 percent of her taxable federal pension in future years.

Use the following worksheet to determine your subtraction amount for each column:

Federal column

- | | |
|---|----------|
| 1. Federal pension included in federal column, Form 40N or Form 40P, line 17F. | 1. _____ |
| 2. Divide months of service before October 1, 1991, by total months of service. Enter the percentage here. | 2. _____ |
| 3. Multiply line 1 by line 2. Enter here and on Form 40N or Form 40P, line 37y or Schedule OR-A-N/P. Use code "307" to identify this subtraction and remember to carry the total of all "Other subtractions" to line 37F. | 3. _____ |

Oregon column

- | | |
|---|----------|
| 4. Federal pension included in Oregon column, Form 40N or Form 40P, line 17S. | 4. _____ |
| 5. Percentage from line 2, above. | 5. _____ |
| 6. Multiply line 4 by line 5. Enter here and on Form 40N or Form 40P, line 37S. | 6. _____ |

To avoid processing delays or adjustments, make sure your federal pension income is on the correct line and attach a copy of your federal return.

• **Interest and dividends on U.S. bonds and notes [code 315].**

Federal column. On Form 40N or Form 40P, line 37F, fill in interest and dividends from the U.S. government that you included on lines 9F and 10F. Add U.S. gov-

ernment interest and dividends you received through partnerships or grantor trusts. Identify this using code "315" in box 37x or on Schedule OR-A-N/P.

Examples:

- You can subtract interest from U.S. Series EE, HH, and I bonds and Treasury bills and notes.
- You can subtract interest and dividends paid to you by organizations that invest in U.S. government securities. Check the information on your Form 1099. The payer may have given the percentage of interest and dividends from U.S. government securities. Download the publication *Interest and Dividends on U.S. Bonds and Notes* from our website or contact us to order it.
- You must reduce U.S. government interest and dividends by any interest expense relating to U.S. government obligations you deducted on your federal Schedule A.
- Don't include interest on federal tax refunds in either column.
- If you reported interest or dividends of your minor child on your federal return, you may subtract any U.S. government interest included.

Oregon column. If you included interest and dividends from the U.S. government on lines 9S and 10S of the Oregon column, enter the amount on line 37S.

Note: When you sell or dispose of a U.S. government obligation, you must include any gain or loss in income.

• **Interest from local government bond [code 317].**

Federal column. The U.S. government taxes certain types of local government bond interest such as private activity bond interest. If you included interest from Oregon bonds on your federal return, enter "317" in box 37x and the amount in box 37y or on your Schedule OR-A-N/P. Remember to carry total subtractions from your Schedule OR-A-N/P to line 37F.

Oregon column. On line 37S, enter Oregon local government bond interest if you included it in Oregon income on line 9S.

• **Military active duty [code 319].** Did you report U.S. military pay in income on line 8F or 8S? If so, you may qualify for a subtraction.

The Servicemembers Civil Relief Act was signed into federal law on December 19, 2003. According to the act, military pay received by a nonresident, or by a part-year resident while a nonresident of Oregon, cannot be used to compute Oregon tax. This is retroactive and you may be able to amend your prior year return. See *Oregon Amended Schedule* for time limits.

Federal column. Nonresidents—you can subtract all your military pay from the wages you reported in the federal column on line 8F.

Full-year and part-year residents—you can subtract the following from the wages you reported in the federal column on line 8F:

- All military pay received during the part of the year you were a nonresident, and
- All active duty pay earned outside Oregon during the part of the year you were a resident, and
- Up to \$6,000 active duty pay earned in Oregon during the part of the year you were a resident.

If you're a member of the Oregon National Guard or reserves, you may be eligible for an additional active duty pay subtraction. See "Oregon National Guard and reserve active duty pay" on this page.

Oregon column. Nonresidents—don't enter any amount. Military pay of a nonresident is not Oregon source income and should not be reported on line 8S. There is nothing to subtract.

Full-year and part-year residents—you can subtract the following from the wages you reported in the Oregon column on line 8S:

- All active duty pay earned outside Oregon during the part of the year you were a resident, and
- Up to \$6,000 active duty pay earned in Oregon during the part of the year you were a resident.
- Oregon National Guard and reserve active duty pay subtraction.

- **Oregon income tax refund included in federal income [code 325].** This subtraction is for Oregon state income tax refunds only. Do **not** include other local, county, or other states' tax refunds.

Federal column. Enter your Oregon state income tax refund **only** if you included it on line 11F of the federal column.

Oregon column. Enter your Oregon state income tax refund **only** if you included it on line 11S of the Oregon column.

- **Oregon Lottery winnings [code 322].** Oregon does not tax Oregon Lottery winnings of \$600 or less per ticket; however, the federal government does. Oregon Lottery includes Powerball tickets you purchased in Oregon, but does not include winnings from tribal gaming centers in Oregon.

Federal column and Oregon column. You can subtract the following from the winnings you reported on lines 20F and 20S:

- Oregon Lottery winnings of \$600 or less from each single ticket or play, and
- Oregon Lottery annual payments from tickets purchased prior to 1998.

Example 1: Cheryl had winnings of \$200 playing an Oregon Lottery scratch-off ticket in 2007. This income is included on lines 20F and 20S. Oregon does not tax Oregon Lottery winnings of \$600 or less per single

ticket or play. Cheryl can subtract the \$200 she won on the scratch-off ticket from both columns of her return.

Example 2: David won two prizes in 2007—\$1,000 playing Oregon Lottery video poker and \$500 playing an Oregon Lottery Keno game. David must include \$1,500 on lines 20F and 20S, however, Oregon will not tax the \$500 he won playing Keno. He can subtract \$500 on his Oregon return in both columns because the winnings were from a single game and below the \$600 limit. He cannot subtract any of the \$1,000 he won playing video poker, because the prize was more than \$600 and is fully taxable to Oregon.

Note: Are you claiming gambling losses as an itemized deduction? If so, you may need to reduce your deduction. See instructions for Form 40N or Form 40P, line 46, page 28. If you need help, please contact us.

- **Oregon National Guard and reserve active duty pay [code 319].**

You may be eligible for an additional active duty pay subtraction if you meet **all** of the following conditions:

- You were an Oregon resident at any time since 2001, and
- You served as a member of the Oregon National Guard or reserves, and
- You were called to active duty status and required to be away from home overnight, and
- You were away from home overnight for at least three consecutive weeks and stationed in Oregon.

If you meet **all** the conditions above, you can subtract all of the Oregon National Guard or reserve active duty pay you earned while you met all of the above qualifications. You can subtract the amount from both the federal and Oregon columns. This subtraction is available for tax years starting on or after January 1, 2001. To claim this subtraction for tax years 2001–04, amend your prior-year returns before July 1, 2008. See *Oregon Amended Schedule* for time limits for other tax years.

Note: Your military pay subtractions in each column cannot be more than your total military pay included in that column.

- **Railroad Retirement Board benefits [code 330].**

Federal column. Enter your tier 2, supplemental, windfall, and vested dual Railroad Retirement Board benefits included on line 17F. Add railroad unemployment benefits from line 20F.

Oregon column. Don't enter any amount. Oregon does not tax Railroad Retirement Board benefits or Railroad Retirement Board unemployment benefits.

- **Tuition and fees deduction [code 308].** Did you claim a Hope or lifetime learning credit on your federal return? If so, you weren't allowed a federal tuition and fees deduction because you claimed the federal credit. Because Oregon does not have credits similar to the Hope or lifetime learning credits, you can

take the federal tuition and fees deduction on your Oregon return as a subtraction up to the amount you would have been allowed on your federal return. For 2007, the maximum amount you can claim is the smaller of \$4,000 or your actual expenses. If you were not allowed a deduction on your federal return, you cannot claim this subtraction.

Federal column. Enter the amount of the federal tuition and fees deduction you would have claimed on your federal return if you hadn't claimed the federal credit. The maximum deduction you can claim is \$4,000.

Oregon column. For the part of the year you were a nonresident, calculate your subtraction using the following formula:

$$\frac{\text{Oregon source income while a nonresident}}{\text{Total income while a nonresident}} \times \frac{\text{Qualified tuition and fees paid while a nonresident}}{\text{Total income while a nonresident}} = \text{Nonresident deduction}$$

Add the amount of qualified education expenses you paid while an Oregon resident. Enter the smaller of the results or the amount you would have deducted on your federal return, but no more than \$4,000.

- **The following subtractions** apply to only a few people and are not explained in this booklet. For more information, go to our website or contact us. Make the subtraction in **both** the federal and Oregon columns as needed if you included the related income in both columns. If you have only one "Other subtraction," enter the numeric code on line 37x and the amount for the **federal** column on lines 37y and 37F. See page 23 for instructions if you have more than one "Other subtraction." For more information, go to our website or contact us.

- 529 Oregon College Savings plan [code 324].
- American Indian [code 300].
- Basis adjustments [code 304].
 - Gain or loss on the sale of depreciable property with a different basis for Oregon.
 - Passive activity losses.
 - Suspended losses.
- Capital Construction Fund (CCF) [code 339].
- Composite return (Form 40N only) [code 341].
- Construction worker and logger commuting expenses [code 303].
- Domestic partner benefits [code 305].
- Federal business credits [code 340].
- Federal gain previously taxed by Oregon [code 306].
- Fiduciary adjustments from Oregon estates and trusts [code 310].
- Film production labor rebate [code 336].
- Individual Development Account [code 314].
- IRA conversions previously taxed [code 327].
- Land donation to educational institutions [code 316].
- Mobile home park capital gain [code 338].
- Mobile home tenant payment [code 344].
- Net operating loss [code 321].

- Oregon investment advantage [code 342].
- Partnership or S corporation modifications for Oregon [code 323].
- Public Safety Memorial Fund award [code 329].
- Scholarship awards used for housing expenses [code 333].
- TRICARE income, first and second year participation [code 343].
- U.S. government interest in IRA or Keogh distributions [code 331].

39 Oregon percentage. Divide the amount on line 38S by the amount on line 38F. Round the decimal to three places. Write the result as a percentage on line 39. **Don't fill in more than 100 percent or less than -0-.**

Examples

Line 38S	Line 38F	Oregon percentage
\$8,000	\$30,000	.266666 Round to .267 (<u> </u> <u> </u> <u> </u> . <u> </u> <u> </u> <u> </u> %)
(1,000)	15,000	-0- (0%) (<u> </u> <u> </u> <u> </u> . <u> </u> <u> </u> <u> </u> %)
20,000	15,000	1.333 Limited to 1.000 (<u> </u> <u> </u> <u> </u> . <u> </u> <u> </u> <u> </u> %)

If the amount on line 38S is **greater than** the amount on line 38F, your Oregon percentage is 100 percent. This is true even when line 38F is a negative number.

Deductions and modifications

You can claim either net itemized deductions or Oregon's standard deduction, whichever is larger, but not both.

If you claim itemized deductions fill in lines 41–43. If you claim the standard deduction fill in line 44 instead. If you claim the special Oregon medical deduction (code 606) on line 46, you must itemize. Include this deduction when deciding whether you should itemize deductions or claim the standard deduction.

Note: If you're married filing separately and one spouse itemizes, both spouses must itemize deductions. Are you filing separate returns for Oregon only? If so, determine your share of itemized deductions by multiplying your total joint deductions by the percentage you figured on page 18 or you can separate each spouse's itemized deductions if you can clearly identify your own itemized deductions.

41 Itemized deductions. You can claim your total itemized deductions after federal limitations shown on federal Schedule A, line 29. You can claim itemized deductions for Oregon even if you don't have enough deductions to itemize on your federal return.

If you itemize for Oregon only, fill out a federal Schedule A for Oregon purposes. Be sure to include your state taxes even when itemizing for Oregon only, then subtract your Oregon state income tax on line 42. Use your federal adjusted gross income to figure the Schedule A limitations. Remember to keep Schedule A with your tax records.

42 State income tax claimed as an itemized deduction. Write the amount of Oregon state income tax or other state sales tax you claimed as an itemized deduction on federal Schedule A, line 5. Do not include local or county income tax amounts.

Are you claiming a credit for income taxes paid to another state and deducting the other state's taxes on Schedule A? If so, include the other state's 2007 net tax liability or the other state's 2007 tax claimed as an itemized deduction, whichever is less. For instructions on Form 40N or Form 40P, line 55, see page 31.

Did you limit itemized deductions on your federal return because your adjusted gross income (AGI) was more than \$156,400 (\$78,200 if married filing separately)? If so, you may need to complete a worksheet to figure the correct amount of Oregon income tax to subtract from itemized deductions. Download the publication *Itemized Deductions Limit* from our website or contact us to order it.

44 Standard deduction. Generally, your standard deduction is based on your filing status, as follows:

Single.....	\$1,825
Married filing jointly.....	3,650
Married filing separately	
If spouse claims standard deduction.....	1,825
If spouse claims itemized deductions.....	-0-
Head of household.....	2,940
Qualifying widow(er).....	3,650

Standard deduction—Age 65 or older, or blind. If you or your spouse are age 65 or older, or blind, you're entitled to a larger standard deduction amount. Use the chart below to determine your larger standard deduction.

1. Are you: 65 or older? Blind?

If claiming spouse's exemption,
is your spouse: 65 or older? Blind?

2.

If your filing status is...	And the number of boxes checked in step 1 is...	Then your standard deduction is...
Single	1	\$3,025
	2	4,225
Married filing jointly	1	4,650
	2	5,650
	3	6,650
	4	7,650
Married filing separately	1	2,825
	2	3,825
	3	4,825
	4	5,825
Head of household	1	4,140
	2	5,340
Qualifying widow(er)	1	4,650
	2	5,650

Fill in the total standard deduction on Form 40N or Form 40P, line 44.

Standard deduction—Dependents. If someone else can claim you as a dependent, your standard deduction is limited to the larger of:

- Your earned income plus \$300, up to the maximum allowed for your filing status as shown on this page; or
- \$850.

The limit applies even if you can be claimed as a dependent on another person's return, but are not claimed by the other person.

Use the following worksheet to figure your standard deduction unless you are married. If you are a dependent and married, please contact us.

Standard deduction worksheet for single dependents:

1. Enter your earned income. (See definition below.) 1. _____
2. Additional \$300. 2. 300
3. Add lines 1 and 2. 3. _____
4. Minimum standard deduction. 4. 850
5. Enter the larger of line 3 or line 4. 5. _____
6. Basic standard deduction for single. 6. 1,825
7. Enter the smaller of line 5 or line 6. 7. _____
8. If you're under age 65, enter -0-. If you're age 65 or older, enter \$1,200. 8. _____
9. If you're not blind, enter -0-. If you're blind, enter \$1,200. 9. _____
10. Add lines 7, 8, and 9. Enter the total here and on Form 40N or Form 40P, line 44. This is your standard deduction. 10. _____

Earned income is salaries, wages, tips, professional fees, or other amounts received as pay for work you actually perform, and any part of a scholarship or fellowship grant that you must include in your gross income.

Standard deduction—Nonresident aliens. The standard deduction for nonresident aliens (as defined by federal law) is -0-.

45 2007 federal tax liability. Carefully follow the instructions below. Don't confuse your **federal tax liability** on your federal return with the **federal tax withheld** on your Form(s) W-2. They are not the same.

You may deduct your total federal income tax liability after credits. Don't fill in less than -0- or more than \$5,500 (\$2,750 if married filing separately).

1. Enter your federal tax liability from Form 1040, line 57; Form 1040A, line 35; Form 1040EZ, line 10; Form 1040NR, line 52; or Form 1040NR-EZ, line 15. 1. _____

2. Enter your tax on qualified retirement plans, Form 1040, line 60; or Form 1040NR, line 55, the recapture taxes you included on the dotted line of Form 1040, line 63; or Form 1040NR, line 58; and the amount on Form 1040NR, line 53. 2. _____
3. Add lines 1 and 2. 3. _____
4. Enter \$5,500 (\$2,750 if married filing separately). 4. _____
5. Enter the smaller of line 3 or line 4 here and on Form 40N or Form 40P, line 45. 5. _____

Caution: Don't include any of the following on line 2 above.

- Self-employment tax.
- Social Security and Medicare tax on tips.
- Advance earned income credit payments.
- Household employment taxes.

Your federal tax liability on line 45 plus your federal tax from a prior year (code 602) and foreign tax (code 603) on line 46 cannot exceed \$5,500 (\$2,750 if married filing separately).

If you're married filing separately for Oregon only, multiply your joint federal tax liability (after credits) by the percentage calculated on page 18. Each spouse is limited to a maximum subtraction of \$2,750.

Are you amending your 2007 return? See the *Oregon Amended Schedule* instructions to figure your subtraction for federal tax liability.

Did you pay additional federal tax in 2007 because you were audited or filed an amended return? If so, read the instructions for Form 40N or Form 40P, line 46.

46 Other deductions and modifications. Only a few people have other deductions and modifications. Identify the deduction or modification using the numeric code. If you have only one "Other deduction or modification," enter the numeric code on line 46x and the amount on lines 46y and 46. For example, if you're reporting a foreign tax deduction, enter "603" on line 46x and the amount on lines 46y and 46. If you have more than one, check box 46z and attach Schedule OR-A-N/P to your return with the numeric codes and amounts of the deductions or modifications. Modifications can be either additions or subtractions. Enter the total amount of these items from Schedule OR-A-N/P on line 46. If the net amount is an addition, please clearly place a minus sign in front of it. For example, "- 200."

- **Artists who make a charitable art donation (Form 40P filers only) [code 600].** Download the publication *Artist's Charitable Contribution Subtraction* from our website or contact us to order it. **Form 40N filers,** see Form 40N, line 48 instructions on page 29.

- **Federal estate tax on income in respect of a decedent [code 605].** If you claimed a deduction for federal estate tax, you may have a modification. For more information, please contact us.
- **Federal income tax refunds [code 601].** Did you get a federal tax refund in 2007 because you were audited or amended a prior year return? If so and you subtracted that amount on a prior Oregon return, fill in and clearly place a minus sign in front of this addition on line 46 or Schedule OR-A-N/P.
- **Federal tax from a prior year [code 602].** Did you pay additional federal tax in 2007 because you were audited or amended a prior year's return? If so, you may be able to deduct the additional tax. This deduction applies only to additional tax you paid because your return was changed. It doesn't include the tax from the original return or interest or penalties you paid.

Use the following worksheet to figure your deduction for federal tax from a prior year.

1. Enter \$5,500 (\$2,750 if married filing separately). 1. _____
2. Enter your federal tax liability from Form 40N or Form 40P, line 45. 2. _____
3. Line 1 minus line 2. If the result is -0-, you cannot deduct your federal tax paid for a prior year. If greater than -0-, enter the result on line 3. 3. _____
4. Enter the amount of federal tax you paid in 2007 for a prior year. 4. _____
5. Enter the smaller of line 3 or line 4 here and on Form 40N or Form 40P, line 46. 5. _____

- **Foreign tax [code 603].** Did you pay tax to a foreign country in 2007? You may deduct this tax if you:
 - Took a foreign tax credit on your federal return,
 - or**
 - Didn't take a foreign tax credit **and** didn't itemize deductions on your federal return.

This subtraction is limited to \$3,000 (\$1,500 if married filing separately).

For more information, go to our website or contact us.

- **Gambling losses claimed as an itemized deduction [code 604].** Did you have winnings from the Oregon Lottery and claim gambling losses on your federal Schedule A? If so, fill in and clearly place a minus sign in front of the addition for the gambling losses claimed as an itemized deduction that exceed gambling winnings taxed by Oregon.
- **Itemized deduction add back for Oregon credits [code 608].** Did you itemize and claim a credit for contributions to: Child Care Fund, Oregon Cultur-

al Trust, Oregon Production Investment Fund, or a university venture fund? Did you itemize and claim a credit for long-term care insurance premiums? If you answered yes to either question, you may have to reduce your itemized deductions. If so, remember to clearly place a minus sign in front of this addition on line 46 or Schedule OR-A-N/P. Contact us for more information.

- **Mortgage interest credit [code 607].** If you claimed the mortgage interest credit on your federal return and you are itemizing deductions on your Oregon return, you may have a deduction. For more information, please contact us.
- **Special Oregon medical deduction [code 606].** Were you or your spouse **age 62 or older** on December 31, 2007? If so, enter the amount from federal Schedule A, line 1 or line 3, whichever is less. To claim this deduction, you must itemize your deductions for Oregon.

Form 40N 47 **Allowable deductions and modifications.** Complete the worksheet below to determine the deductions and modifications you're entitled to claim.

- | | |
|--|----------|
| 1. If itemizing, enter amount from Form 40N, line 43. Otherwise enter the amount from Form 40N, line 44.
Note: If claiming the special Oregon medical deduction (code 606) on line 46, enter the amount from line 43, even if it is less than the amount on line 44. | 1. _____ |
| 2. Enter amount from Form 40N, line 45. | 2. _____ |
| 3. Enter amount from Form 40N, line 46. | 3. _____ |
| 4. Add together amounts from lines 1, 2, and 3 above. Enter result here. | 4. _____ |
| 5. Enter your Oregon percentage from Form 40N, line 39, here. | 5. _____ |
| 6. Multiply the amount from line 4 by the percentage on line 5. Enter result here and on Form 40N, line 47. | 6. _____ |

Form 40N 48

Deductions and modifications not multiplied by Oregon percentage.

- **Artists who make a charitable art donation [code 600].** Artists who make a charitable art donation may take a full deduction. Download the publication *Artist's Charitable Contribution Subtraction* from our website or contact us to order it.

Oregon tax

Form 40N 51

Form 40P 49

Tax from tax rate charts.

Figure the tax on your taxable income, Form 40N, line 50; or Form 40P, line 48. If you use the farm income averaging method or the farm asset capital gain method, see below. If not, go to the tax rate charts below. Enter your tax amount on Form 40N, line 51 and check box 51a; or Form 40P, line 49 and check the box. Please double-check that the tax you entered is correct.

Example: A married couple's Oregon taxable income is \$29,500. They are filing jointly. They will use chart J for married filing jointly. They figure their tax like this:

Chart J	
Oregon taxable income	\$29,500
Subtract	- 14,300
	15,200
Multiply by 9%	× .09
	1,368
Then add	+ 887
Their Oregon tax is	<u>2,255</u>

Form 40N 51

Form 40P 50

Tax from farm income averaging method or farm asset capital gain method.

If you qualify, you can compute your Oregon tax using one of the following methods:

Farm income averaging method. You can use the federal farm income averaging method to compute your Oregon tax even if you didn't use farm income averaging on your federal return. Only Oregon source farm income is considered elected farm income.

2007 Tax Rate Charts

S Tax Rate Chart
For persons filing

Single or married filing separately

If your taxable income is:	Your tax is:
Not over \$2,850.....	5% of taxable income
Over \$2,850 butnot over \$7,150	\$143 plus 7% of the excess over \$2,850
Over \$7,150.....	\$444 plus 9% of the excess over \$7,150

J Tax Rate Chart
For persons filing

Jointly, head of household, or qualifying widow(er) with dependent child

If your taxable income is:	Your tax is:
Not over \$5,700.....	5% of taxable income
Over \$5,700 butnot over \$14,300	\$285 plus 7% of the excess over \$5,700
Over \$14,300.....	\$887 plus 9% of the excess over \$14,300

Use Form FIA-40N, *Oregon Farm Income Averaging for Nonresidents*, or Form FIA-40P, *Oregon Farm Income Averaging for Part-Year Residents*, to calculate your tax on your farm income and your other Oregon income. Download the form from our website or contact us to order it.

- Form 40N: Enter the tax amount from Form FIA-40N, line 19, on Form 40N, line 51, and check box 51b.
Form 40P: Enter the tax amount from Form FIA-40P, line 18, on Form 40P, line 50, and check box 50a.
- Attach a copy of Form FIA-40N or Form FIA-40P to your return.

Farm asset capital gain method. Did you sell or exchange capital assets primarily used in farming because you were getting out of a farming business? Or, did you sell or exchange a farming partnership, corporation, or other farming entity where you held at least a 10 percent ownership interest? If the sale or exchange was not to a family member and you were getting out of a farming business completely, you may be eligible for a reduced tax rate on the net capital gain from the proceeds of the sale or exchange.

Use Worksheet FCG, *Farm Liquidation Long-Term Capital Gain Tax Rate*, to calculate tax on your net farm capital gain and your other Oregon income. Download the worksheet from our website or contact us to order it.

Nonresidents. Enter the tax amount from Worksheet FCG, line 7, on Form 40N, line 51. **Check box 51c labeled "Worksheet FCG."** Do not attach a copy of Worksheet FCG to your return. Keep a copy with your records.

Part-year residents. Enter the tax amount from Worksheet FCG, line 8, on Form 40P, line 50. **Check box 50b labeled "Worksheet FCG."** Do not attach a copy of Worksheet FCG to your return. Keep a copy with your records.

Note: Form 40P filers using Form FIA-40P or Worksheet FCG do not enter an amount on Form 40P, line 49.

52 Interest on certain installment sales. Did you have installment sales that required you to pay interest on the deferred tax liability for federal purposes? If so, you must also compute interest for Oregon. The amount due for Oregon is computed the same way as for federal. The interest rate for 2007 is 9 percent per year (0.750 percent per month).

Nonresidents. Use only those installment obligations from dispositions of Oregon property while you were a nonresident of Oregon.

Credits—Non-refundable

Non-refundable credits cannot be more than your Oregon tax liability. Some credits have a carryforward provision that allows you to use the remaining balance in the next year. Use credits that cannot be carried forward first. You must prorate some Oregon credits on your return as shown with an asterisk (*). This means

you need to multiply your total credit by your Oregon percentage, line 39, to figure the amount you can claim on your Oregon return.



Exemption credit.* Your exemption credit may be reduced if your federal adjusted gross income (Form 40N or 40P, line 30F) is more than the threshold for your filing status.

If the charts below apply to you, follow the instructions in the box. Otherwise, complete the exemption credit worksheet below.

If your filing status is...	and Form 40N or 40P, line 30F is less than or equal to...
Single	\$156,400
Married filing joint or qualifying widow(er)	\$234,600
Married filing separately	\$117,300
Head of household	\$195,500
<p>...multiply your total exemptions on line 6e by \$165. Then multiply by your Oregon percentage from line 39. Enter the result on Form 40N, line 54 or 40P, line 53.</p> <p><i>Do not use the exemption credit worksheet</i></p>	

If your filing status is...	and Form 40N or 40P, line 30F is more than...
Single	\$238,900
Married filing joint or qualifying widow(er)	\$317,100
Married filing separately	\$158,550
Head of household	\$278,000
<p>...multiply your total exemptions on line 6e by \$55. Then multiply by your Oregon percentage from line 39. Enter the result on Form 40N, line 54 or 40P, line 53.</p> <p><i>Do not use the exemption credit worksheet</i></p>	

Exemption credit worksheet:

- Enter the amount from Form 40N or 40P, line 30F. 1. _____
- Enter the amount shown below for your filing status. 2. _____
 - Single—\$156,400
 - Married filing jointly or qualifying widow(er)—\$234,600
 - Married filing separately—\$117,300
 - Head of household—\$195,500
- Line 1 minus line 2. 3. _____
- Divide line 3 by \$2,500 (\$1,250 if married filing separately). Round the result to the nearest whole number (for example, increase 0.0004 to 1). 4. _____
- Multiply line 4 by 2% (.02) and enter the result as a decimal. 5. _____

6. Multiply the total number of exemptions claimed on line 6e of your Oregon return by \$165 and enter the result here. 6. _____
7. Multiply the decimal on line 5 by line 6. 7. _____
8. Line 6 minus line 7. 8. _____
9. Enter your Oregon percentage from Form 40N or 40P, line 39. 9. _____
10. **Exemption credit.** Multiply line 8 by the percentage on line 9. Enter the result here and on Form 40N, line 54, or Form 40P, line 53. 10. _____



Child and dependent care credit (Form 40P filers only)* You're allowed an Oregon credit **only** if you qualify for the federal child and dependent care credit. You may still be able to claim the Oregon credit even if you can't use all of your federal credit. You must prorate this credit. Use the following worksheet to figure your credit for Oregon:

1. Enter the amount from federal Form 2441, line 6; or Form 1040A, Schedule 2, line 6. Do **not** enter more than \$3,000 for one qualifying child or \$6,000 for two or more qualifying children. 1. _____

2. Enter the decimal amount from the following table. 2. _____

If your federal taxable income from Form 1040, line 43; or Form 1040A, line 27 is:		Your decimal amount is:
Over—	But not over—	
—	\$5,000	.30
\$5,000	10,000	.15
10,000	15,000	.08
15,000	25,000	.06
25,000	35,000	.05
35,000	45,000	.04
45,000	—	.00

3. Multiply the amount on line 1 by the decimal on line 2. Enter here. 3. _____
4. Multiply line 3 by the Oregon percentage from Form 40N or Form 40P, line 39. **Form 40P filers:** Enter the result here and on Form 40P, line 54. **Form 40N filers:** Enter the result here and on Form 40N, line 56 and identify with code 745. 4. _____

Did you pay 2006 child care expenses in 2007? If so, multiply your 2006 expenses paid in 2007 that are included in the computation of your federal credit by the decimal amount that applies to your 2006 federal taxable income.

Multiply this amount by the Oregon percentage from your 2006 return. Enter the result on Form 40N, line 56

(code 745) or Form 40P, line 54. If you need help, please contact us.

Carryforward. Your total 2007 child and dependent care credit can't be more than your 2007 tax liability for Oregon. You can carry forward any excess over the next five years. If the excess isn't used within five years, it's lost. See instructions on page 32.

55 Credit for income taxes paid to another state.

If you paid 2007 income tax to another state or U.S. territory on income also taxed by Oregon, you may be able to claim a credit.

You must claim the credit on your nonresident return or your part-year resident return for the part of the year you were a nonresident if the income is taxed by both Oregon and one of the following states: Arizona, California, Indiana, or Virginia. See our website for links to other states' tax websites.

This credit is only for state income tax. You can't claim this credit for city or county income tax, sales tax, alternative minimum tax (AMT), property tax, school tax, or building funds.

If you're a shareholder in an Oregon S corporation that paid taxes to another state, you may qualify for this credit. Download the publication *Credit for Income Taxes Paid to Another State* from our website or contact us to order it.

Your credit is the **smallest** of the following:

- Your other state's 2007 net tax liability.
- Your Oregon tax liability after all credits, except credits for income taxes paid to other states.
- The amount figured using Formula 1, below.
- The amount figured using Formula 2, below.

Formula 1: Divide your modified adjusted gross income (MAGI) taxed by **both** states by your total MAGI, which is your income on Form 40P or Form 40N, line 38S. Multiply the result by your Oregon tax after all other credits. The result can't be more than your Oregon tax after credits.

$$\frac{\text{Your MAGI taxed by both states}}{\text{Your total MAGI}} \times \text{Your Oregon tax after all other credits}$$

Formula 2: Divide your MAGI taxed by **both** states by your total income on the other state's return. Multiply the result by the other state's tax after all other credits. "Total income" means income before subtracting itemized deductions and exemptions. The result can't be more than the other state's tax after credits.

$$\frac{\text{Your MAGI taxed by both states}}{\text{Your total income on the other state's return}} \times \text{Your other state's tax after all other credits}$$

If you have only one credit for income taxes paid to another state, enter the two-letter state abbreviation on Form 40N or Form 40P, line 55y, and the credit amount on Form 40N or Form 40P, line 55. If you're claiming more than one credit for income taxes paid to another state, do

not enter a state abbreviation on line 55y. Instead check box 55z and attach Schedule OR-A-N/P to your return identifying the states and the credit amounts for each state. Enter the total for all states from Schedule OR-A-N/P on Form 40N or Form 40P, line 55.

Caution: You can't claim this credit and also benefit from the itemized deduction for the tax paid to the other state. If you claim the tax as an itemized deduction, include the other state's 2007 net tax liability or the 2007 tax claimed as an itemized deduction, whichever is less, on Form 40N or Form 40P, line 42.

If the credit for income taxes paid to another state is based on a tax liability that is paid in two different tax years, you may be required to restore the deduction to Oregon income in two different tax years. For more information, please contact us.

You must attach a copy of the other state's return and proof of payment to the back of your Oregon return.

You may be allowed to use this credit even if Oregon and another state tax the same income in different years. For more information, please contact us.

56 Other credits. You may qualify for other non-refundable credits. Please identify the credit using the numeric code. If you have only one "Other credit," enter the numeric code on Form 40N or Form 40P, line 56x and the amount on Form 40N or Form 40P, lines 56y and 56. For example, if you're a nonresident claiming a \$50 political contribution credit, enter "723" on Form 40N, line 56x and enter "\$50" on Form 40N, lines 56y and 56. If you're claiming more than one "Other credit," do not enter a code or amount on line 56x or 56y. Instead, check box 56z and attach Schedule OR-A-N/P to your return with the numeric codes and the dollar amounts of the credits. Enter the total amount of "Other credits" from Schedule OR-A-N/P on Form 40N or Form 40P, line 56.

• **Child and dependent care (Form 40N filers only) [code 745].*** Read the information and fill out the worksheet for Form 40P, line 54 on page 31. If this is your only other credit, enter code 745 on Form 40N, line 56x and the amount from the worksheet on Form 40N, line 56y. Otherwise enter the code and amount on Schedule OR-A-N/P. Form 40P filers, enter your child and dependent care credit on Form 40P, line 54.

• **Child and dependent care carryforward [code 704].** Enter the amount of unused credit from a prior year on Form 40N or Form 40P, line 56 or Schedule OR-A-N/P. The prior year carryforward plus your current year's credit can't be more than your Oregon tax liability. You can carry forward this unused credit for five years from the year the credit was claimed. If the carryforward isn't used within five years, it's lost.

• **Elderly or the disabled [code 709].*** The Oregon credit is 40 percent of your federal credit. You can claim an Oregon credit **only** if you qualify for the federal credit. Multiply the amount from federal Form 1040,

Schedule R, line 20; or Form 1040A, Schedule 3, line 20, by 40 percent (.40). Then multiply the result by the Oregon percentage on Form 40N or Form 40P, line 39. You can claim this credit or the retirement income credit, but **not** both.

• **Political contribution [code 723].** Fill in your total political contributions, up to \$100 on a joint return or up to \$50 on all others. You must have contributed money during 2007 to any of the following:

- A political party.
- A qualified candidate (or the candidate's principal campaign committee) for federal, state, or local office to be voted for in Oregon.
- A political action committee certified in Oregon.

Download the publication *Political Contributions Tax Credit* from our website or contact us to order it.

• **Retirement income [code 730].** If you were age 62 or older on December 31, 2007, and receiving retirement income, you may qualify for a credit. You qualify for this credit if:

- Your household income is less than \$22,500 (\$45,000 if married filing jointly), **and**
- Your Social Security benefits and/or tier 1 Railroad Retirement Board benefits are less than \$7,500 (\$15,000 if married filing jointly), **and**
- Your household income plus your Social Security and/or tier 1 Railroad Retirement Board benefits is less than \$22,500 (\$45,000 if married filing jointly).

If you think you qualify, contact us for more information.

• The following credits apply to only a few people. For more information, go to our website or contact us.

- Adoption expenses carryforward [code 700].*
- Advanced telecommunications facilities [code 701].*
- Biofuel consumer [code 744].*
- Biomass production/collection [code 743].*
- Business energy [code 703].
- Business tax credits from flow-through entity [code 736].
- Child Care Fund contributions [code 705].
- Claim of right income repayments [code 706].
- Crop donation [code 708].*
- Diesel engine replacement, repower, or retrofit [code 734].*
- Electronic commerce zone investment [code 710].
- Employer-provided dependent care assistance [code 707].
- Employer scholarship [code 711].*
- Farmworker housing [code 712].*
- First Break Program [code 713].*
- Fish screening devices [code 714].*
- Individual Development Account (IDA) donation [code 715].
- IDA withdrawal for home purchase [code 738].

- Involuntary move of a mobile home, Schedule MH—non-refundable (2006 moves only) [code 741].
- Long-term care insurance premiums [code 716].*
- Loss of use of limbs [code 717].
- Low-income caregiver credit [code 718].
- Mutually taxed gain on the sale of residential property [code 720].
- On-farm processing machinery and equipment [code 721].*
- Oregon Cultural Trust [code 722].*
- Oregon Production Investment Fund [code 737].
- Pollution control facilities [code 724].
- Reforestation of underproductive forestlands [code 727].
- Reservation enterprise zone [code 728].*
- Residential energy [code 729].*
- Riparian land [code 735].*
- Rural EMTs [code 742].*
- Rural medical practitioners [code 731].*
- University venture fund [code 739].*
- Water transit vessel [code 740].*

*Prorated credit (multiplied by Oregon percentage).

Tax payments and refundable credits

59 Oregon income tax withheld from income. Fill in the total Oregon tax withheld from your wages and other income shown on your Form(s) W-2 or 1099. Don't use the FICA (Social Security) tax withheld from your pay. **Don't** use tax withheld from your wages by other states. **Staple a readable copy** of your Form W-2 from each job and any Form(s) 1099 showing Oregon income tax withheld to the lower front of your return.

If you don't have a Form W-2 or 1099, you must provide other proof of Oregon tax withheld. Proof may include a copy of a final paycheck stub or a letter from your employer.

If you have tax to pay this year, you may want to increase the amount your employer withholds from your 2008 wages for Oregon. Download the publication *Oregon Income Tax Withholding* from our website or contact us to order it.

60 Estimated tax payments for 2007 and payments made with your extension. Fill in the total Oregon estimated tax payments you made before filing your 2007 Oregon return. Include any payments made with your Oregon extension. Also include any refund you applied to your 2007 estimated tax. If the department adjusted your applied refund, be sure to use the adjusted amount. If you need to verify your estimated payment amounts, please contact us.

61 Nonresidents—Tax withheld from pass-through entity. If you are an owner in a pass-through entity and you did not join in the filing of a composite return reporting the related flow-through

income, enter the amount of tax withheld by the pass-through entity on your behalf.

62 Earned income credit (refundable). You're allowed an Oregon earned income credit **only** if you qualify for the earned income credit on your federal return. You must prorate this credit. Your Oregon credit is 5 percent of your federal credit multiplied by your Oregon percentage. For example, if your federal credit is \$2,500, your Oregon credit is \$125 (\$2,500 × .05) multiplied by your Oregon percentage from Form 40N or Form 40P, line 39.

Use the following formula to compute your credit:

1. Enter your federal earned income credit from Form 1040, line 66a; Form 1040A, line 40a; or Form 1040EZ, line 8a. 1. _____
2. Multiply the amount on line 1 by 5% (.05). Enter the result here. 2. _____
3. Multiply line 2 by the Oregon percentage (Form 40N or Form 40P, line 39). Enter the result here and on Form 40N or Form 40P, line 62. 3. _____

The Oregon earned income credit is refundable. If the credit is more than your tax liability, the difference will be refunded to you.

63 Working family child care credit (refundable). This credit is available to low-income working families with **qualifying** child care expenses for a qualifying child under age 13 (or a child who qualifies for the additional exemption credit for a child with a disability). The working family child care credit is refundable. If the credit is more than your tax liability, the difference will be refunded to you. To see if you qualify, go to page 38. Attach Schedule WFC-N/P to your return.

64 Mobile home park closure credit (refundable). Enter the amount from Schedule MPC, line 5. Attach Schedule MPC to your return. For more information download the publication from our website, or contact us to order it.

Penalties and interest

68 Penalty and interest for filing or paying late. Your tax is due April 15, 2008. Your return is also due April 15, 2008, unless you file for an extension by that date.

Penalty. Include a penalty payment if you:

- Mail your tax payment after April 15 (even if you have an extension to file), or
- File your return showing tax to pay after the due date or extension due date.

The late-payment penalty is 5 percent of the unpaid balance of your tax.

If you file more than three months after the due date or extension due date, a 20 percent late-filing penalty will be added; that is, you will owe a total penalty of 25 percent of any unpaid tax. To find out how to avoid penalty, go to our website and view *Computing Interest and Penalties on Tax You Owe*.

Interest. If you're paying your tax after April 15, 2008, include interest on any unpaid tax. An interest period is each full month starting with the day after the due date. For example, April 16, 2008, through May 15, 2008, is a full month interest period. The 2008 interest rate is 9 percent per year (0.750 percent per month).

Interest is figured daily for periods of less than a month. Here's how to figure daily interest:

$$\text{Tax} \times .000247 \times \text{number of days}$$

If the tax is not paid within 60 days of our bill, the interest rate increases to 13 percent per year.

Note: Do not calculate interest if you file late and expect a refund. It may delay processing of your refund.

69 Interest on underpayment of estimated tax. For 2007, you'll have an underpayment if you paid less than 90 percent of the tax due on **each** estimated tax payment due date.

Use Form 10, *Underpayment of Oregon Estimated Tax*, to determine if you have an underpayment. Download the form from our website or contact us to order it. If you have an underpayment, you **must** file Form 10 with your return. Check the box and enter the amount of interest due from Form 10, line 34 on Form 40N or Form 40P, line 69.

If you meet an exception, simply enter the exception number on Form 40N or Form 40P, line 69a and do not attach Form 10.

71 Amount you owe. You can pay your tax with a check, money order, or credit card. If the amount is less than \$2, no payment is required.

Check or money order

- Make your check or money order payable to "**Oregon Department of Revenue.**"
- Write your daytime telephone number and "2007 Oregon Form 40N" or "2007 Oregon Form 40P" on your check.
- Please use **blue or black** ballpoint ink. Do not use gel ink or the colors red or purple.
- **Do not send cash or a postdated check.**
- Staple your payment and the Form 40-V payment voucher (see page 3) to your return on top of your Form(s) W-2 and 1099.

Credit card or electronic payment from your checking or savings account

You can also pay with your Discover, MasterCard, or Visa credit card. Contact the service provider supporting

Oregon's program. The provider **will charge** you a convenience fee based on the amount of your tax payment. The service provider will tell you what the fee is during the transaction; you will have the option to continue or cancel the transaction before entering your credit card information. If you complete the credit card transaction, you will receive a confirmation number. **Please keep this confirmation number as proof of payment.**

Credit card service provider:

- **Official Payments Corporation**
Call toll-free 1-866-720-1327, or go to www.officialpayments.com.

For additional information on credit card payments and service providers, go to our website or contact us.

Soon you will be able to make an electronic payment from your checking or savings account for your current-year balance due, 2008 estimated tax payments, or prior year taxes. There is no fee to use this method. This option will only be available through our website.

Payment plan. If you cannot pay in full now, pay what you can. We will work with you to set up a payment plan for the amount you do not pay with your return. Contact us as soon as possible to reduce penalties and interest.

Special instructions. Do you owe interest on Form 40N or Form 40P, line 69 and have an overpayment on Form 40N or Form 40P, line 66? If the interest you owe is more than your overpayment, you have an amount due. Subtract line 66 from line 69 and enter the result on line 71.

Charitable donations. If you don't have a refund but want to contribute to a charity listed on Form 40N or 40P, mail your donation to the charity's address shown on pages 35 and 36. Please do not mail your donation to the Department of Revenue.

To finish your return, go to the signature block section on page 36.

72 Refund. You must have a refund on Form 40N or Form 40P, line 72 to apply money to next year's estimated tax or to donate all or part of your refund to the charities listed.

73 Estimated tax. If you have a refund on Form 40N or Form 40P, line 72, you may apply part or all of it to your 2008 estimated income tax. Fill in the amount you want to apply. Do not fill in more than the amount on Form 40N or Form 40P, line 72.

Charitable checkoffs

You may donate all or part of your refund shown on line 72 to the charities listed on pages 35 and 36. Donations will reduce your refund. You can donate to any or all of the charities on lines 74–85. You can also donate to **two** of the charities listed under the instructions for lines 86

and 87. Or, you can mail your donations directly to the addresses shown.

74 Oregon Nongame Wildlife. Your donation will fund the protection of nongame wildlife and its habitat.

Oregon Department of Fish and Wildlife
3406 Cherry Avenue NE
Salem OR 97303-4924

75 Child Abuse Prevention. Your donation will fund programs through the Children's Trust Fund to help prevent child abuse and neglect.

Children's Trust Fund of Oregon
1410 SW Morrison Street, Suite 501
Portland OR 97205

76 Alzheimer's Disease Research. Your donation will fund research of Alzheimer's and related dementias.

Layton Aging and Alzheimer's Disease Center
3181 SW Sam Jackson Park Road CR131
Portland OR 97239

77 Stop Domestic and Sexual Violence. Your donation will fund programs through the Oregon Coalition Against Domestic and Sexual Violence.

OCADSV
380 SE Spokane Street, Suite 100
Portland OR 97202

78 AIDS/HIV Research, Education, and Services. Your donation will fund AIDS/HIV research, education, and services by the Living With HIV Fund.

The Research & Education Group
2311 NW Northrup, Suite 105
Portland OR 97210

79 Oregon Military Emergency Financial Assistance. Your donation will fund hardship grants and loans to Oregon National Guard members and their families.

Oregon Military Department
PO Box 14350
Salem OR 97309-5047

80 Habitat for Humanity of Oregon. Your donation will help Habitat for Humanity build simple, decent, and affordable housing for low-income families.

Habitat for Humanity of Oregon
3300 NW 185th, #214
Portland OR 97229

81 Oregon Head Start Association. Your donation will help Head Start provide services to the lowest-income, highest-need children and families.

Oregon Head Start Association
221 B Street
Springfield OR 97477

82 American Diabetes Association. Your donation will help continue diabetes research and advocacy programs in Oregon.

American Diabetes Association
380 SE Spokane Street, Suite 110
Portland OR 97202

83 Oregon Coast Aquarium. Your donation will help fund educational programs, conservation efforts, and animal rehabilitation.

Oregon Coast Aquarium
2820 SE Ferry Slip Road
Newport OR 97365

84 SMART. Your donation will help fund the "Start Making A Reader Today" early literacy program for Oregon's most vulnerable children.

Oregon Children's Foundation/SMART
219 NW 12th Avenue, Suite 203
Portland OR 97209

85 SOLV. Your donation will help fund thousands of projects to clean up and restore beaches, forests, rivers, and neighborhoods across Oregon.

SOLV
5193 NE Elam Young Parkway, Suite B
Hillsboro OR 97124

86 & 87 Other charity. You may donate all or part of your refund to **two** of the following charities.

Enter the charity code on Form 40N or Form 40P, line 86a or 87a. **Enter only one code in each box.** Write the amount you want to donate next to the code on Form 40N or Form 40P, line 86b or 87b. If you want to donate to more than two of the charities listed below, you can mail your donations directly to the charities at the addresses shown.

St. Vincent de Paul Society of Oregon [code 7]. Your donation will help provide services leading to self-sufficiency for low-income Oregonians.

St. Vincent de Paul Society of Oregon
PO Box 24608
Eugene OR 97402

The Nature Conservancy [code 8]. Your donation will help purchase and restore critical habitats for Oregon's at-risk plants, fish, and wildlife.

The Nature Conservancy
821 SE 14th Avenue
Portland OR 97214

Doernbecher Children's Hospital Foundation [code 9]. Your donation will fund a critical expansion of the cancer treatment facilities at Doernbecher.

Doernbecher Children's Hospital Foundation
1121 SW Salmon, Suite 201
Portland OR 97205-2021

The Oregon Humane Society [code 10]. Your donation will help save pets' lives through rescue, sheltering, adoption, education, cruelty investigation, and advocacy.

The Oregon Humane Society
PO Box 11364
Portland OR 97211

The Salvation Army—Oregon [code 11]. Your donation to the Salvation Army ensures help for the neediest children and their families throughout Oregon.

The Salvation Army
1785 NE Sandy Boulevard
Portland OR 97232

The Oregon Veterans' Home [code 12]. Your donation will improve the quality of life for veterans receiving nursing care at the Oregon Veterans' Home.

Oregon Veterans' Home Donations
700 Summer Street NE
Salem OR 97301-1285

Planned Parenthood of Oregon [code 13]. Your donation will fund family planning services and reproductive health education programs.

Planned Parenthood of Oregon
3231 SE 50th Avenue
Portland OR 97206

Oregon Lions Sight & Hearing Foundation [code 14]. Your donation will fund sight and hearing assistance, and provide diabetes awareness for Oregonians.

Oregon Lions Sight & Hearing Foundation
1410 SW Morrison Street, Suite 760
Portland OR 97205

Shriners Hospitals for Children—Portland [code 15]. Your donation will help provide braces and artificial limbs for Oregon's children.

Shriners Hospitals for Children—Portland
3101 SW Sam Jackson Park Road
Portland OR 97239

Special Olympics Oregon [code 16]. Your donation will help provide life-changing services to thousands of Oregonians with intellectual disabilities.

Special Olympics Oregon
5901 SW Macadam, Suite 100
Portland OR 97239

Susan G. Komen for the Cure, Oregon & SW Washington Affiliate [code 17]. Your donation funds breast cancer research, education, screening, and treatment.

Susan G. Komen Breast Cancer Foundation
Oregon & SW Washington Affiliate
1400 SW 5th Avenue, Suite 530
Portland OR 97201

Oregon Historical Society [code 18]. Your donation helps us collect and preserve materials of historical character for studying and understanding Oregon history.

Oregon Historical Society
1200 SW Park Avenue
Portland OR 97205

89 Net refund. You must **reduce your refund** by any amounts applied to 2008 estimated tax and charitable checkoff donations. **The department cannot issue a refund if your return is filed more than three years after the due date of the return.**

Direct deposit

90 Follow these instructions if you want us to deposit your refund directly into your bank account instead of mailing you a check.

1. **Contact your bank** to make sure your deposit will be accepted and to get your correct routing and account numbers.
2. **Check the appropriate box, either** checking or savings, but not both.
3. **Enter your nine-digit routing number.** The routing number must begin with 01 through 12, 21 through 32, or 61 through 72.
4. **Enter the account number** into which you want your refund deposited. The account number can be up to 17 characters (both numbers and letters). Do not include hyphens, spaces, or special symbols. Enter the number left to right and leave any unused boxes blank.

Signature block

Signature(s). Be sure to sign and date your return. If you're filing a joint return, both spouses must sign.

Minor child's return. If your child must file a tax return, you may sign the child's name as his or her legal agent. Sign the child's name, then write "By [your signature], parent (or other legal guardian) of minor child."

Preparer signature. Any person who prepares, advises, or assists in the preparation of personal income tax returns for another person in exchange for payment, gifts, or other compensation must be licensed and must sign the return. Contact the following agencies for more information on licensing or to check the status of your Oregon tax practitioner:

- State Board of Tax Practitioners at 503-378-4034 (Salem) for licensed tax consultants and licensed tax preparers, or go to www.oregon.gov/OTPB.
- State Board of Accountancy at 503-378-4181 (Salem) for public accountants and certified public accountants, or go to www.oregon.gov/BOA.

License number. Licensed tax consultants, enter your license number. Certified public accountants, enter your certificate number. Tax-Aide volunteers, enter your TCE site number.

Before you file

Should I put my return together in a special order?

Yes. To speed processing, put your Oregon return together as follows:

1. Start with Form 40N or Form 40P.
2. Staple Form(s) W-2 and any Form(s) 1099 showing Oregon tax withheld to the lower front of your Form 40N or Form 40P.
3. Staple your check or money order and completed Form 40-V payment voucher (page 3) on top of the Form(s) W-2 and/or 1099. If paying by credit card, do not use Form 40-V.
4. If applicable, place these items in the following order behind the Oregon form:
 - Schedule OR-A-N/P, *Oregon Adjustments for Form 40N and 40P Filers* (if needed).
 - *Oregon Amended Schedule* (if amending your return).
 - Copy (front and back) of your federal Form 1040, 1040A, 1040EZ, 1040NR, or 1040NR-EZ. If you're amending and you've changed your federal return, attach a copy of your **corrected** federal return instead of the original.
 - Schedule WFC-N/P, *Oregon Working Family Child Care Credit for Form 40N and Form 40P filers*. See page 41.
 - Oregon Form 10, *Underpayment of Oregon Estimated Tax*.
 - Proof required to claim credit for income taxes paid to another state. See page 31.
 - Oregon Form 24, *Like-Kind Exchanges/Involuntary Conversions*.
 - Form FIA-40N, *Oregon Farm Income Averaging for Nonresidents*, or Form FIA-40P, *Oregon Farm Income Averaging for Part-Year Residents*.
 - *Exempt Income Schedule for Enrolled Members of a Federally Recognized American Indian Tribe*.
 - Schedule MPC, *Mobile Home Park Closure*.
 - Statements for lines that need explanation.
5. Place one staple in the top left corner of your return and attachments

Be sure the second page of your return is the same form as the first page. *Example:* If you file Form 40N, be sure that "Page 2—2007 Form 40N" is printed at the top of the second page.

Do not attach extension requests, or any federal schedules. Keep these with your records. We receive some federal information from the IRS. We may ask you for copies of schedules or additional information later.

How long do I have to file my return and get a refund?

You have three years from the due date of the return to file a claim for a refund. By law, the Department of Revenue cannot issue a refund if your return is filed more than three years after the due date.

Can I make payments?

If you can't pay in full now, we will work with you to set up a payment plan. **File now and pay what you can.** Write your daytime telephone number and "2007 Oregon Form 40N" or "2007 Oregon Form 40P" on your check. Make sure you also use the payment voucher, Form 40-V, on page 3. You can also pay by credit card, see page 34. Contact the department **as soon as possible** to set up a payment plan. If you do not contact us, collection activity may begin.

To avoid processing delays, remember to:

Type or clearly print your name, Social Security number, date of birth, complete mailing address, and daytime telephone number on your return.

Double-check your math calculations and other figures, including your Social Security number. The most common mistakes are math errors and the amount claimed for the federal tax subtraction. Please double-check the tax you figured. Errors will delay processing.

If you have tax to pay, read Form 40N or Form 40P, line 71 instructions on page 34.

Identify other additions, other subtractions, and other credits as instructed.

Verify your bank account information if you're requesting direct deposit.

Sign your return (both spouses must sign a joint return).

Staple readable copies of Form(s) W-2 and 1099 showing Oregon tax withheld to the lower front of your return.

Staple a copy of your federal return (front and back only) to your Oregon return. Do **not** include federal schedules.

Staple Form 40-V, the payment voucher, with your check or money order to the front of your return. If paying by credit card, do **not** use Form 40-V.

Mail your return in a stamped envelope. Use a business envelope (4 × 9½ inches) or larger and use enough postage. Please do not use a smaller envelope—it delays processing.

Tax return mailing addresses

Mail refund returns or no-tax-due returns to:

REFUND
PO Box 14700
Salem OR 97309-0930

Mail tax-to-pay returns to:

Oregon Department of Revenue
PO Box 14555
Salem OR 97309-0940

Working family child care credit

This refundable credit is available to low-income working families with qualifying child care expenses. To qualify, **all** of the following must be true:

- You had at least \$7,550 of earned income from Oregon sources, and
- You had \$2,950 or less of investment income (such as interest, dividends, and capital gains), and
- Your adjusted gross income was less than the limits for your household size shown on the back of Schedule WFC-N/P, and
- You paid qualifying child care expenses to allow you (and your spouse, if married) to work or attend school at least part time or you or your spouse is exempt from this requirement due to a qualifying disability (see below), and
- You paid qualifying child care expenses for your qualifying child. A qualifying child is your child, step child, grandchild, step grandchild, brother, sister, stepbrother, stepsister, nephew, niece, step nephew, step niece, or eligible foster child, who:
 - can be claimed as a dependent on your federal return, or
 - could have been claimed on your return except, as the custodial parent, you released the exemption to the child's other parent under a decree of

- divorce or separate maintenance or written declaration such as federal Form 8332, and
 - was under the age of 13 at the time the care was provided, or
 - was a child for whom you can claim the additional exemption credit for a child with a disability, and
 - did not provide more than one-half of their own support during the year, and
- Your child care provider was not the child's parent or guardian, or your relative or step relative under age 19.

Note: If you're married filing separately, you must be legally separated or permanently living apart on December 31, 2007, to qualify.

If you qualify, complete Schedule WFC-N/P, *Oregon Working Family Child Care Credit for Form 40N and Form 40P filers*, on page 41. Attach this schedule to your return.

Example: Carl and Carrie moved from Arizona with their child in October 2007. They paid for child care and they both worked in both Arizona and Oregon. Carl and Carrie's wages after moving to Oregon are \$6,000. They have no other Oregon income. Carl and Carrie do not qualify for the Working Family Credit because their earned income from Oregon did not meet the minimum of \$7,550.

Schedule WFC-N/P instructions for nonresidents and part-year residents

You must complete all information on the schedule. An incomplete schedule may result in delay or denial of your working family child care (WFC) credit. Your refund may take longer to process when claiming this credit.

Check the boxes

Attending school. Do you qualify for this credit because you (or your spouse) attend school at least part time? If so, check the box next to your (or your spouse's) name.

Form WFC-DP is attached. There are special rules for married taxpayers when one spouse is disabled. Generally, you and your spouse can only claim child care expenses for the WFC credit when both of you are working or attending school at least part time. There is now an exception to this requirement that expenses must be paid for both spouses to work or attend school. If one spouse has a qualifying disability that keeps them from working, attending school, and caring for

themselves and the children, the child care expenses may qualify for this credit. Only one spouse can qualify for the exception. The other spouse must still work or attend school at least part time. The qualifications are not the same as the severely disabled exemption credit. This exception is available beginning with tax year 2007.

To use this exception, the disabled spouse must have a disability that prevents (or severely restricts) them from **all** of the following:

- Working;
- Going to school at least part time;
- Caring for the child(ren); and
- Performing an activity of daily living. Activities of daily living include bathing, dressing, feeding, toileting, etc.

To claim this exception, the disabled taxpayer and their physician need to fill out Form WFC-DP stating that you or your spouse has a qualifying disability. Go to our website or contact us to get Form WFC-DP.

This form must be attached each year that you (or your spouse) meet that exception. Once Form WFC-DP is filled out, check the box "Form WFC-DP is attached" on Schedule WFC-N/P next to your name (or your spouse's name). Remember to attach Form WFC-DP and keep a copy the form with your tax records and with your physician. We may request a copy of the form at a later date.

Household size calculation

Sched.
WFC-N/P **1** - **5**

Generally, your household size is the number of people you claim as exemptions on your federal tax return who are related to you by blood, marriage, or adoption and live in your home. Household size can include your child of whom you have primary custody, even if you allowed the child's other parent to claim the exemption on their tax return. **Don't** include people you're entitled to claim on your tax return who didn't live with you in your home during 2007 or who aren't related to you. For the purposes of this credit, a person cannot be counted in the household size on more than one return. Enter your household size from Schedule WFC-N/P, line 5, on Form 40N or Form 40P, line 63a.

Example 1: Rusty and Deb are not married and are the parents of two children. They maintain separate households and have joint custody of both children. The children live more than half the year with Deb. Even though they are Deb's qualifying children, she releases the dependent exemption for one child to Rusty. Both Rusty and Deb can claim the credit based on the qualifying child care expenses each paid. However, each needs to calculate their household size separately.

Deb's household size is three (herself, one dependent child whose exemption she claims, and one dependent child whose exemption is released to Rusty). Deb will enter "2" on line 1 of Schedule WFC-N/P and "1" on line 2 for a total of "3" on line 5.

Rusty's household size is one (himself). Although he claims one child on his tax return, the child did not live with him more than one-half of the year and is not included in his household size. Rusty will enter "2" on line 1 of Schedule WFC-N/P and "1" on line 4 for a total of "1" on line 5.

Example 2: Jay and Rena are married and have three qualifying children. They also support Rena's parents who do not live with them. They claim seven exemptions on their tax return. Jay and Rena's household size is five, because only five of them live in their home. They will enter "7" on line 1 of Schedule WFC-N/P and "2" on line 4 for a total of "5" on line 5.

Qualifying child care expenses paid in 2007

Sched.
WFC-N/P **6** - **9**

Provider's full name and complete address. Enter the child care provider's information in the space provided on Schedule WFC-N/P. If you have more than three providers, check box 9a and attach a separate sheet with the same information for the additional providers. Be sure to enter the total you paid to all providers on Schedule WFC, line 9.

Provider's SSN or FEIN. You must include your provider's Social Security number, federal employer identification number (FEIN), or individual taxpayer identification number (ITIN).

Provider's telephone number. Enter a daytime telephone number for the provider. Important: We need a current telephone number to contact the provider. Without this information, the processing of your refund may be delayed.

Child to provider relationship. Identify the relationship of the child to the provider using the relationship codes on page 43. If there is no relationship between the child and the provider, enter "N" for none.

Amount paid to provider. Qualifying child care expenses are those paid for your qualifying child for the primary purpose for you to work or attend school. If married, both spouses must be working or attending school for the expenses to qualify. Only one spouse must be working or attending school if the other spouse qualifies for the exception due to a disability explained on page 38. You can pay your expenses with pre-tax dollars from an employer benefit plan, such as a cafeteria plan or flexible spending arrangement, and still qualify to claim this credit. You must pay for the child care during 2007 for the payments to be qualifying child care expenses.

Qualifying child care expenses do **not** include amounts you paid for your child to attend or participate in:

- Public or private school;
- After-school activities;
- Sports;
- Overnight camps; or
- Boarding school.

You **cannot** claim expenses that are paid by someone else, such as a state assistance agency or another family member. You can claim only the expenses **you** actually paid during the year.

Example 3: Jeff works for a company that offers dependent care benefits. He contributes \$4,000 pre-tax each year to a flexible spending arrangement (FSA) plan. His employer reports the \$4,000 of dependent care benefits in box 10 of his W-2. Jeff also paid \$1,000 with after-tax dol-

lars. He can claim the working family child care credit based on \$5,000 in qualifying child care expenses.

Example 4: Lee has a five-year-old qualifying child who attends a local academy. He pays \$750 per month for his son's kindergarten and child care. Of that total, \$500 is the contract price for child care, and \$250 for the child's education. Lee can only claim \$500 per month as qualifying child care. Lee's child attended the academy for four months during the year, so the amount he'll enter on line 6 is \$2,000.

Example 5: Cate receives state assistance to pay her child care expenses. The child care provider charges Cate \$600 per month to care for her two qualifying children. Of the \$600, the state pays \$450, and Cate has a co-pay of \$150. She can only claim the amount she actually paid (\$150 per month). Cate's amount for line 6 will be \$1,800 for the entire year. She will not include non-qualifying expenses paid by the state.

Example 6: Angie and Zach are married and have three children. Angie works full time and Zach does not work or attend school and is receiving disability for headaches. Zach does not need assistance with any of the activities of daily living. Zach's disability does not qualify for the exception. Angie and Zach cannot claim this credit for their child care expenses because both spouses are not working or attending school and neither qualifies for the disability exception.

Example 7: Mason and Barbara are married and have two children. Mason works full time. Barbara is unable to work because of a brain tumor. Barbara has a home care worker come to their home daily because she is unable to care for herself while Mason is away at work. Mason and Barbara pay \$750 a month for child care and \$800 a month for care for Barbara. Barbara and her doctor completed Form WFC-DP showing that Barbara has a qualifying disability. Mason and Barbara can claim this credit for the \$750 a month they paid for child care. The amount paid for Barbara's care does not qualify for this credit.

Example 8: Jen and George are married and have two children. Jen and George both work full time. Jen's relative, Michelle, lives with them. Jen and George pay Michelle \$500 a month in cash to watch their children while they work. Jen and George do not have proof that they paid Michelle and Michelle is not paying rent to live at their home. Because the payments were made in cash to a relative and there is no proof that they paid Michelle for child care, Jen and George cannot claim this credit.

Example 9: Cassie has two children and works full time. Cassie's aunt and uncle, Hildi and Mike, live in the same town and watch her children while Cassie works. They do not take care of any other children. Cassie pays Mike and Hildi \$400 a month in cash. Cassie does not have further proof other than the receipts written by Hildi that she received \$400 in cash

at the beginning of each month. Mike and Hildi do not report this income on their tax return. Cassie cannot claim this credit because she has no proof that she made the payments.

Example 10: Cameron and Sarah are married and have two children. Cameron and Sarah both work full time. Cameron's relative, Hailey, lives nearby and watches their children. Hailey also takes care of other children in her home. Cameron and Sarah pay Hailey \$750 a month by check and receive receipts from Hailey at the time of payment. Hailey claims all child care income on her tax return. Cameron and Sarah can claim this credit because they have proof of payment (cancelled checks).

Example 11: Abby has two children and works full time. Abby's friend, Tonya, is Abby's child care provider. Abby pays Tonya \$500 a month in cash. During the processing of her tax return, Abby was asked for proof that she paid Tonya. She did not provide receipts or other proof of payment. Abby's credit was denied. Abby filed a written objection and provided receipts Tonya filled out after Abby's credit was denied. Abby cannot claim the credit because the receipts were not provided to her at the time of payment and she has no other proof that she paid Tonya.

Example 12: Candice and Justin are married and have a child. Candice works full time and Justin volunteers 20 hours a week at the local shelter. Candice and Justin pay a daycare center \$400 a month to watch their child. Candice and Justin cannot claim the credit because Justin is not working or going to school and does not have a qualifying disability.

Proof of qualifying child care expenses. To claim this credit, you must prove that **you** paid qualifying child care expenses. Acceptable proof **may** include, **but is not** limited to, copies of:

- Cancelled checks, or
- Money order stubs, or
- Duplicate checks along with bank statements, and
- **Signed** receipts from the child care provider, received **at the time of payment**. Receipts must include:
 - The child's full name.
 - Dates of care.
 - Date and amount of child care paid.
 - Name of person or agency paying.
 - Provider's name, address, and telephone number.
 - Provider's identification number (SSN/FEIN).
 - The method of payment (check, money order, cash, etc.).

If you have more than one child, be sure the information is separately listed for each child.

Important: We may ask for proof or additional information when your tax return is being processed or at a later time. If you pay a relative to watch your children,

Schedule WFC-N/P

For Oregon forms, please visit our website at

www.oregon.gov/DOR

and click on "Tax Forms"

Working Family Child Care Credit—2007 Tables

Table 1, household size = 1		
If the amount on Schedule WFC-N/P, line 17 is:		Enter this decimal amount on Schedule
at least:	but not more than:	WFC-N/P, line 19:
---	\$20,400	.40
20,401	21,450	.36
21,451	22,450	.32
22,451	23,500	.24
23,501	24,500	.16
24,501	25,550	.08
25,551	---	.00

Table 2, household size = 2		
If the amount on Schedule WFC-N/P, line 17 is:		Enter this decimal amount on Schedule
at least:	but not more than:	WFC-N/P, line 19:
---	\$27,400	.40
27,401	28,750	.36
28,751	30,100	.32
30,101	31,500	.24
31,501	32,850	.16
32,851	34,250	.08
34,251	---	.00

Table 3, household size = 3		
If the amount on Schedule WFC-N/P, line 17 is:		Enter this decimal amount on Schedule
at least:	but not more than:	WFC-N/P, line 19:
-	\$34,350	.40
34,351	36,050	.36
36,051	37,750	.32
37,751	39,500	.24
39,501	41,200	.16
41,201	42,950	.08
42,951	---	.00

Table 4, household size = 4		
If the amount on Schedule WFC-N/P, line 17 is:		Enter this decimal amount on Schedule
at least:	but not more than:	WFC-N/P, line 19:
---	\$41,300	.40
41,301	43,350	.36
43,351	45,450	.32
45,451	47,500	.24
47,501	49,550	.16
49,551	51,650	.08
51,651	---	.00

Table 5, household size = 5		
If the amount on Schedule WFC-N/P, line 17 is:		Enter this decimal amount on Schedule
at least:	but not more than:	WFC-N/P, line 19:
---	\$48,250	.40
48,251	50,650	.36
50,651	53,100	.32
53,101	55,500	.24
55,501	57,900	.16
57,901	60,350	.08
60,351	---	.00

Table 6, household size = 6		
If the amount on Schedule WFC-N/P, line 17 is:		Enter this decimal amount on Schedule
at least:	but not more than:	WFC-N/P, line 19:
---	\$55,200	.40
55,201	58,000	.36
58,001	60,750	.32
60,751	63,500	.24
63,501	66,250	.16
66,251	69,050	.08
69,051	---	.00

Table 7, household size = 7		
If the amount on Schedule WFC-N/P, line 17 is:		Enter this decimal amount on Schedule
at least:	but not more than:	WFC-N/P, line 19:
---	\$62,200	.40
62,201	65,300	.36
65,301	68,400	.32
68,401	71,500	.24
71,501	74,600	.16
74,601	77,750	.08
77,751	---	.00

Table 8, household size = 8*		
If the amount on Schedule WFC-N/P, line 17 is:		Enter this decimal amount on Schedule
at least:	but not more than:	WFC-N/P, line 19:
---	\$69,150	.40
69,151	72,600	.36
72,601	76,050	.32
76,051	79,500	.24
79,501	82,950	.16
82,951	86,450	.08
86,451	---	.00

* If your household size is more than eight, contact the department for the tables you need.

you may be asked to provide additional information that shows you actually paid qualifying child care expenses. *Be sure to ask for a signed receipt from your child care provider each time you pay for child care.*

Qualifying child information

Sched. WFC-N/P 10 - 14 Enter the full name of each qualifying child, the child's Social Security number or ITIN, the child's date of birth, and the child's relationship to you using the codes below.

Enter the portion of the expenses you listed in the child care provider section that apply to each child. The amounts shown on line 9 and line 14 should always be the same. If you have more than four qualifying children, check box 14a and attach a separate sheet with the same information for the additional children. Be sure to enter the total qualifying child care expenses you paid for all children on Schedule WFC, line 14.

Example 13: Bill paid two child care providers \$5,000 during the year for his two qualifying children, Joe and Lane. Of the \$5,000 he paid, \$3,000 was for Joe's

care and \$2,000 was for Lane's care. He will enter those amounts next to each child's information.

Computation of credit

Sched. WFC-N/P 15 - 17 You must know your federal and Oregon adjusted gross income (AGI) to compute this credit. Enter the larger of your federal AGI (Form 40N or Form 40P, line 30F) or your Oregon AGI (Form 40N or Form 40P, line 30S) on Schedule WFC-N/P, line 17.

Sched. WFC-N/P 18 Enter the total qualifying expenses from Schedule WFC-N/P, line 9, on Schedule WFC-N/P, line 18. Also enter this amount on Form 40N or Form 40P, line 63b.

Sched. WFC-N/P 19 Use the table on the back of Schedule WFC-N/P (page 42) that matches your household size, line 5.

For example, if your household size is three, use Table 3 to find the percentage you should apply to your qualifying expenses. Enter that percentage on Schedule WFC-N/P, line 19.

Schedule WFC Relationship Codes

Son.....	S	Eligible foster child.....	EF
Daughter.....	D	Aunt	A
Stepson	SS	Uncle	U
Stepdaughter.....	SD	Cousin.....	CS
Grandchild.....	GC	Sister-in-law	SL
Niece	NC	Brother-in-law.....	BL
Nephew	NW	Other relative.....	O
Sister/Brother	SB	None.....	N

Taxpayer assistance

Printed information (free)

Income tax booklets are available at many post offices, banks, and libraries. For booklets and other forms and publications, you can also access our website, order by telephone, or mail the form below.



Check individual boxes to order. Complete name and address section. Clip on the dotted line, then mail the entire list to the address below.

Forms and instructions

- Forms 40S & 40, *Full-Year Resident* 150-101-043
- Forms 40P & 40N, *Part-Year & Nonresident* 150-101-045
- Form 40-EXT, *Oregon Automatic Extension and Payment Voucher* 150-101-165
- Estimated Income Tax Payment Instructions and Vouchers* 150-101-026/-2
- Schedule OR-A, *Oregon Adjustments for Form 40 Filers* 150-101-063
- Schedule OR-A-N/P, *Oregon Adjustments for Forms 40N and 40P Filers* 150-101-064
- Form 10, *Underpayment of Oregon Estimated Tax* 150-101-031
- Oregon Amended Schedule 150-101-061
- Form 90R, *Elderly Rental Assistance* 150-545-002
- Form FIA-40, *Oregon Farm Income Averaging for Full-Year Residents* 150-101-160
- Form FIA-40N, FIA-40P, and Schedule Z, *Oregon Farm Income Averaging for Nonresidents and Part-Year Residents* 150-101-161

Publications

- 2-D Barcode Filing for Oregon* 150-101-631
- Audits: What To Do if You Are Audited* 150-101-607
- Computing Interest and Penalties on Tax You Owe* 150-800-691
- Credit for Income Taxes Paid to Another State* 150-101-646
- Divorce and Taxes* 150-101-629
- Electronic Filing for Oregon* 150-101-630
- Estimated Income Tax* 150-101-648
- Interstate Transportation Wages (Amtrak Act)* 150-101-601
- Itemized Deductions Limit* 150-101-611
- Married Persons Filing Separate Returns* 150-101-656
- Military Personnel Filing Information* 150-101-657
- Record-Keeping Requirements* 150-101-608
- Retirement Income* 150-101-673
- Working Family Child Care Credit for Parents* 150-101-462
- Your Rights as an Oregon Taxpayer* 150-800-406
- List of other printed information:
Form and Publication Order 150-800-390

**Send to: Forms, Oregon Department of Revenue
PO Box 14999, Salem OR 97309-0990**

Please print

Name _____
 Address _____
 City _____
 State _____ ZIP Code _____

Your tax return is due on April 15, 2008

Internet

www.oregon.gov/DOR

Check your refund at www.oregonrefund.com



- Download forms and publications
- Get up-to-date tax information
- E-mail: questions.dor@state.or.us

This e-mail address is not secure. Do not send any personal information. General questions only.

Questions?

Write

Oregon Department of Revenue,
955 Center St NE, Salem OR 97301-2555.
Include your Social Security number and a daytime telephone number for faster service.



Telephone

Salem area or outside Oregon 503-378-4988
Toll-free from an Oregon prefix 1-800-356-4222

Call one of the numbers above to:

- Check on the status of your 2007 personal income tax refund.
- Order tax forms.
- Hear recorded tax information.
- Speak with a representative.



Monday through Friday 7:30 a.m.–5:00 p.m.
Closed Thursdays from 9:00 a.m.–11:00 a.m. Closed on holidays.

Extended hours during tax season (wait times may vary):

April 1–April 15, Monday–Friday 7:00 a.m.–7:00 p.m.
 Saturday, April 12 9:00 a.m.–3:00 p.m.

Asistencia en español:

En Salem o fuera de Oregon 503-378-4988
 Gratis de prefijo de Oregon 1-800-356-4222

TTY (hearing or speech impaired; machine only):

Salem area or outside Oregon 503-945-8617
 Toll-free from an Oregon prefix 1-800-886-7204

Americans with Disabilities Act (ADA): Call one of the help numbers for information in alternative formats.

Field offices

Visit a field office to get forms and assistance. **Do not send your return to these addresses.**

Bend 951 SW Simpson Avenue, Suite 100

Eugene 1600 Valley River Drive, Suite 310

Gresham 1550 NW Eastman Parkway, Suite 220

Lake Oswego 6405 SW Rosewood Street, Suite A

Medford 3613 Aviation Way, Suite 102

Newport 119 NE 4th Street, Suite 4

North Bend 3030 Broadway

Pendleton 700 SE Emigrant, Suite 310

Portland 800 NE Oregon Street, Suite 505

Salem Revenue Building, 955 Center Street NE, Room 135

Salem 4275 Commercial Street SE, Suite 180

