

# A Summary of Oregon

# Taxes



OREGON  
DEPARTMENT  
OF REVENUE

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*A Summary of Oregon Taxes* provides a brief description of selected taxes and fees individuals and businesses can expect to pay in Oregon. This brochure should not be considered a comprehensive listing of all taxes and fees imposed in the state of Oregon.

## Contents

### Individual

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<b>Income Tax .....</b>	<b>2</b>
<b>Property Tax .....</b>	<b>2</b>
<b>Inheritance Tax.....</b>	<b>3</b>
<b>Driver and Motor Vehicle Licensing .....</b>	<b>3</b>
<b>Fishing and Hunting Licensing .....</b>	<b>4</b>

### Business

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<b>Corporate Excise and Income Taxes .....</b>	<b>6</b>
<b>Unemployment Insurance Tax .....</b>	<b>6</b>
<b>Weight-mile Tax .....</b>	<b>7</b>
<b>Miscellaneous Business Taxes &amp; Fees .....</b>	<b>8</b>
<b>Local Government Taxes .....</b>	<b>9</b>

# Individual Taxes

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## Income tax



### Who pays

- Resident individuals, estates, and trusts.
- Part-year residents and nonresidents with income from Oregon sources.

## Rates: Tax year 2009

### Single return

First \$3,050 is taxed at 5%  
Next \$4,550 is taxed at 7%  
Next \$117,400 is taxed at 9%  
Next \$125,000 is taxed at 10.8%  
Over \$250,000 is taxed at 11%

### Joint return

First \$6,100 is taxed at 5%  
Next \$9,100 is taxed at 7%  
Next \$234,800 is taxed at 9%  
Next \$250,000 is taxed at 10.8%  
Over \$500,000 is taxed at 11%

## Filing information

Rates are applied to taxable income. File Form 40, 40S, 40N, or 40P with the Oregon Department of Revenue. A copy of federal Form 1040 is required with Form 40, 40N, and 40P. A variety of tax credits are available to those who qualify.

Employers withhold tax from employees' wages. Employees file for refunds or pay additional tax by April 15 of each year.

Quarterly estimated payments are generally required from self-employed people, those with income not subject to withholding, and people who owe \$1,000 or more on their Oregon income tax return.

## For more information

Oregon Department of Revenue

955 Center Street NE

Salem OR 97301-2555

503-378-4988 or 1-800-356-4222 (toll-free from an Oregon prefix); TTY 503-945-8617 or 1-800-886-7204 (toll-free from an Oregon prefix).

[www.oregon.gov/dor](http://www.oregon.gov/dor)

E-mail: [questions.dor@state.or.us](mailto:questions.dor@state.or.us)

## Property tax

### Who pays

- Owners of real property.
- Owners of business personal property.
- Lessees of taxable property.



### Rate

County assessors combine permanent operating tax rates (set in fiscal year 1997–98) with other levy rates to determine consolidated tax rates. These rates are applied to the assessed value of each property to determine the tax extended. A constitutional limitation is applied to the tax extended to arrive at the tax

imposed for the property. For fiscal year 2009-10, the average tax rate was \$9.50 per \$1,000 of real market value. Maximum assessed value is limited to a 3 percent annual growth rate, unless certain changes affect the property. The assessed value of new construction is set at the average rate of similar properties in the area.

## Filing information

Business personal property owners and certain real property owners must file a return annually.

One-third payment is due from all taxpayers by November 15. Taxpayers who pay in full by November 15 receive a 3 percent discount.

Special exemptions, tax relief programs, and deferrals are available to those who qualify.

## For more information

Contact the county assessor and county tax collector of the county where your property is located.

## Inheritance tax

Oregon inheritance tax is determined under Internal Revenue Code (IRC) in effect December 31, 2000. For deaths on or after January 1, 2003, Oregon's filing requirements are different from that of the federal government. Oregon has not adopted any federal inheritance tax changes made to the IRC after December 31, 2000. If the gross estate is more than \$1,000,000, you must file an Oregon return even if you are not required to file a federal return.

## For more information

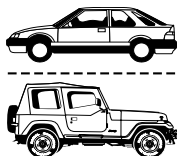
Oregon Department of Revenue  
503-378-4988 or 1-800-356-4222 (toll-free from an Oregon prefix);  
TTY 503-945-8617 or 1-800-886-7204 (toll-free from an Oregon prefix)  
[www.oregon.gov/dor](http://www.oregon.gov/dor)  
E-mail: [estate.help.dor@state.or.us](mailto:estate.help.dor@state.or.us)

Oregon does not impose a gift tax and a gift tax is not required for transfers on or after January 1, 1987.

## Driver and motor vehicle licensing

### Who pays

- Owners and operators of motor vehicles.
- Truckers using Oregon highways.



## Rates

### Passenger vehicle registration fees:

Initial four-year registration on new vehicles only	\$172.00
Registration and renewal for two years	\$86.00

Motor home fees are calculated according to length.

## Vehicle title fees:

Heavy vehicle, GVWR over 26,000 lbs.	\$90.00
Regular vehicle (motor homes under GVWR 26,000 lbs.)	\$77.00
“New-to-Oregon” vehicle identification number (VIN) inspection	\$7.00
Original Driver License Fees (eight-year)	
Standard Class C	\$60.00
Commercial Class A, B, or C, (with an OR license)	\$75.50
(without an OR license)	\$135.50
Original motorcycle endorsement (with an OR license)	\$87.00
(without an OR license)	\$144.00

## Renewals (eight-year):

Standard Class C	\$40.00
(with motorcycle endorsement)	\$68.00
Commercial Class A, B, or C renewal	\$61.50
(with motorcycle endorsement)	\$89.50

## Licensing information

The Oregon Driver and Motor Vehicles Services Division issues all driver licenses and vehicle registrations. Oregon driver licenses are valid for eight years. New Oregon residents are required to title and register their vehicles in Oregon within 30 days of moving into the state, and exchange their out-of-state license for an Oregon license. Vehicle registration plates are renewed for two years, but some newly purchased vehicles are eligible for an initial four-year registration. Motor vehicle insurance is mandatory in the state of Oregon.

## For more information

Oregon Department of Transportation  
Driver and Motor Vehicle Services Division (DMV)  
1905 Lana Avenue NE  
Salem OR 97314  
503-945-5000  
[www.oregon.gov/odot/dmv](http://www.oregon.gov/odot/dmv)

## Fishing and hunting licensing

### Who pays

- Resident and nonresident anglers and hunters.



## Annual recreational rates: 2010

Type of license	Resident	Nonresident
Angling (fishing) license	\$33.75	\$106.25
Hunting license	\$29.50	\$140.50
Hunting and angling (fishing)	\$58.00	N/A

## Licensing information

Annual recreational licenses may be purchased any time during the year online at [www.dfw.state.or.us](http://www.dfw.state.or.us) or at one of hundreds of license agents statewide. There are additional fees for certain fishing and hunting tags. Daily fishing licenses are also available for one, two, three, or four days. Seven-day fishing licenses are available for nonresidents only.

## **For more information**

Oregon Department of Fish and Wildlife

3406 Cherry Ave NE

Salem OR 97303-4924

General information 503-947-6000 or 1-800-720-6339 (toll-free from an Oregon prefix).

[www.oregon.gov/odfw](http://www.oregon.gov/odfw)

E-mail: [odfw.info@state.or.us](mailto:odfw.info@state.or.us)

# Business Taxes

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## Corporate excise and income taxes



### Who pays

- Corporations doing business in Oregon pay excise tax.
- Corporations not doing business in Oregon, but having income from an Oregon source, pay income tax.

### Rate

- The corporate tax rate is 6.6 percent of the first \$10 million of taxable income and 7.6 percent of any amount of taxable income in excess of \$10 million.
- The minimum excise tax for S corporations is \$150.
- The minimum excise tax for C corporations is \$150 for corporations with Oregon sales below \$500,000, with a graduated increase up to \$100,000 for C corporations with Oregon sales of \$100 million or more.

### Filing information

Corporations file Form 20 (excise) or Form 20-I (income), S corporations file Form 20S, and insurance companies file Form 20-INS. These returns are due one month after the due date of the federal return. Returns are filed with the Oregon Department of Revenue. Estimated payments are required from corporations expecting to have a tax liability of \$500 or more for the tax year. Estimated payments are made using Form 20ES.

### For more information

Oregon Department of Revenue  
955 Center Street NE  
Salem OR 97301-2555  
503-378-4988 or 1-800-356-4222 (toll-free from an Oregon prefix)  
TTY 503-945-8617 (Salem) or 1-800-886-7204 (toll-free from an Oregon prefix).  
[www.oregon.gov/dor](http://www.oregon.gov/dor)  
E-mail: [corp.help.dor@state.or.us](mailto:corp.help.dor@state.or.us)

## Unemployment insurance tax

### Who pays

- Oregon employers.



### Rate

For 2010, new employers are assigned a fixed rate of 3.1 percent of taxable wage base. Tax rates for existing employers are based on employers' experience and range from 1.8 percent to 5.4 percent of taxable wage base.

## Filing information

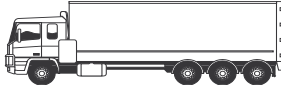
Taxes are paid quarterly and are due by the end of the month following the close of the calendar quarter for which taxes are payable.

In 2010, the tax is paid on the first \$32,100 of wages paid to each employee. The rate schedule in effect depends on the balance in the Trust Fund as of August 31 each year and the amount of revenue needed to maintain the balance at a level adequate to pay benefits.

## For more information

Oregon Employment Department  
875 Union Street NE  
Salem OR 97311  
503-947-1488 or 1-800-237-3710 (toll-free from an Oregon prefix)  
TTY/TDD users please dial 711  
[www.oregon.gov/employ](http://www.oregon.gov/employ)  
E-mail: [taxinfo@emp.state.or.us](mailto:taxinfo@emp.state.or.us)

## Weight-mile tax



### Who pays

- For-hire and private motor carriers operating into, within, and through the state.

### Rate

The weight-mile tax is one of two components of transportation taxes in Oregon; the other is gas, use, and jet fuel taxes. In general, vehicles are subject to one tax or the other, not both. Oregon bases its weight-mile tax on the number of miles traveled in Oregon and the weight of the vehicle. Per-mile rates depend on declared combined weight of vehicle. This tax is levied on all trucks weighing more than 26,000 pounds. Trucks subject to the weight-mile tax are exempted from Oregon's diesel fuel tax.

Several classes of trucks have the option of being taxed on an annual, flat-fee basis. Trucks operating under flat-fees can make monthly payments based on the average mileage for trucks of that type operating under the flat fee.

## Filing information

All carriers operating within Oregon are required to file Mileage Tax Reports. They are filed monthly, quarterly or annually depending on the amount of tax owed. Forms, tax rate tables, road assessment fees, and additional information are available on the Department of Transportation's website.

## For more information

Oregon Department of Transportation  
Motor Carrier Transportation Division  
550 Capitol Street NE  
Salem OR 97301-2530  
503-378-6699  
[www.oregon.gov/odot/dmv](http://www.oregon.gov/odot/dmv)  
E-mail: [askodot@odot.state.or.us](mailto:askodot@odot.state.or.us)



## Miscellaneous business taxes & fees

### Alcoholic beverage tax

Manufacturers and/or import wholesalers of malt beverages and wines pay a privilege tax. Manufacturers, wholesalers, and retailers of distilled spirits, malt beverages, and wines pay license fees. Managers and employees who serve, mix, or sell alcoholic beverages pay for service permits. The Oregon Liquor Control Commission (OLCC) collects the tax.

Contact the OLCC for additional information at 503-872-5000 or 1-800-452-6522 (toll-free from an Oregon prefix).

### Amusement device tax

Excise taxes are imposed upon every person operating an amusement device in Oregon. An amusement device, for tax purposes, is a video poker game terminal.

Contact the Oregon Department of Revenue for additional information at 503-378-4988 or 1-800-356-4222 (toll-free from an Oregon prefix); TTY 503-945-8617 or 1-800-886-7204 (toll-free from an Oregon prefix); or e-mail [spa.help@state.or.us](mailto:spa.help@state.or.us).

### Cigarette and tobacco taxes

Distributors of cigarettes and tobacco products are required to purchase tax stamps for cigarettes. The cigarette tax rate for 2010 is 5.9 cents per cigarette or \$1.18 per pack of 20 cigarettes. In addition, distributors also pay \$1.78 per ounce for moist snuff, or pay 65 percent of the wholesale price on other tobacco products. Individuals who purchase unstamped cigarettes via the internet or some other source must file Form 514 and pay the cigarette tax on products purchased.

For more information, contact the Oregon Department of Revenue, Tobacco Compliance Unit at 503-945-8120 or 1-800-356-4222 (toll-free from an Oregon prefix); TTY 503-945-8617 or 1-800-886-7204 (toll-free from an Oregon prefix).

### Dry cleaning fee and dry cleaning distributor's tax

Operators of dry cleaning facilities pay this fee. A tax is also imposed on the sale or transfer of dry cleaning solvents within Oregon.

For additional information, contact the Department of Environmental Quality at 503-229-5696 or 1-800-452-4011 (toll-free from an Oregon prefix); or e-mail [deq.info@deq.state.or.us](mailto:deq.info@deq.state.or.us).

### Emergency communications (9-1-1) tax

Telephone companies providing local exchange access services in Oregon collect this tax from their customers. The tax, which is \$0.75 per line per month, is reported and paid quarterly. For cellular, wireless, or other radio common carriers, the tax applies to each device.

Contact the Oregon Department of Revenue for additional information at 503-378-4988 or 1-800-356-4222 (toll-free from an Oregon prefix); TTY 503-945-8617 or 1-800-886-7204 (toll-free from an Oregon prefix).

## **Hazardous substance fee**

A variable fee is imposed on the possession of nonpetroleum hazardous substances (chemical substance or waste) at business facilities in Oregon, including substances manufactured, stored, or used at the facility. The fee is based on the type and quantity of the hazardous substance at the facility and the rate is set annually by statute by the State Fire Marshal.

Contact the Oregon Department of Revenue for additional information at 503-378-4988 or 1-800-356-4222 (toll-free from an Oregon prefix); TTY 503-945-8617 or 1-800-886-7204 (toll-free from an Oregon prefix).

## **Petroleum load fee**

Petroleum suppliers and importers to Oregon pay this fee. The fee is assessed per load, and the rate is set by administrative rule by the State Fire Marshal.

Contact the Oregon Department of Revenue for additional information at 503-378-4988 or 1-800-356-4222 (toll-free from an Oregon prefix); TTY 503-945-8617 or 1-800-886-7204 (toll-free from an Oregon prefix).

## **Sales tax**

Oregon does not have a state sales tax.

## **State transient lodging tax**

Public and private lodging providers who provide temporary overnight lodging must pay a 1 percent state lodging tax. The tax is in addition to and not in place of any local transient lodging tax. Every lodging provider in Oregon collects the tax from the customer at the time the fee for lodging is paid. Lodging providers must register with the Department of Revenue and file quarterly tax returns.

For more information on state lodging tax, call 503-945-8247 and select option 1 or 1-800-886-7204 (toll-free from an Oregon prefix); TTY 503-945-8617 or 1-800-886-7204 (toll-free from an Oregon prefix); or visit [www.oregon.gov/dor/business/lodging.shtml](http://www.oregon.gov/dor/business/lodging.shtml).

## **Timber taxes**

Timber harvested in Oregon is subject to one or more timber taxes: The Small Tract Forestland (STF) Severance Tax and/or the Forest Products Harvest Tax.

For additional information contact the Oregon Department of Revenue at 503-378-4988 or 1-800-356-4222 (toll-free from an Oregon prefix); TTY 503-945-8617 or 1-800-886-7204 (toll-free from an Oregon prefix).

## **Local government taxes**

Many local governments in Oregon impose other taxes. For example: the City of Portland Business License (privilege tax), the Multnomah County Business Income Tax (MCBIT), the Tri-Met and Lane Transit District Self-Employment Tax, the Transit Payroll (excise) Tax, and hotel-motel taxes. Contact the city or county of interest for information about taxes in that area.

## Questions?

**General tax information** ..... [www.oregon.gov/dor](http://www.oregon.gov/dor)  
Salem ..... 503-378-4988  
Toll-free from an Oregon prefix ..... 1-800-356-4222

**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 ..... 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.



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