

150-305.220(1)

Interest on Deficiencies and Delinquencies

(1) Adjustment to statutory rate. For interest periods beginning on or after January 1, 2009, unless otherwise provided by law, every deficiency and delinquency arising under any law administered by the Department of Revenue will bear interest at the rate of 0.5 percent per month (6 percent annually). For a fraction of a month, interest will be computed at 0.0164 percent per day. For historic interest rates, see section (4) of this rule.

(2) Interest starting date. The interest starting date for deficiencies and delinquencies will be one day after the due date of the return, excluding extensions.

(3) Interest periods. An interest period is each full month starting with the interest starting date and ending one day before the corresponding date one month later. Interest will be computed on a daily basis for a fraction of a month. The daily rate is based on a 365-day year.

(4) Interest rates. The following table shows interest rates and interest periods used by the Oregon Department of Revenue to compute interest due from taxpayers on deficiencies and delinquencies.

Percentage Rates

Effective date	Annual rate	Monthly rate	Daily rate
Before Jan 1, 1969	6	0.5000	—
January 1, 1969	8	0.6667	—
September 13, 1975	12	1.0000	—
June 1, 1982	18	1.5	0.0493
August 1, 1986	17	1.4167	0.0466
January 1, 1987	16	1.3333	0.0438
January 1, 1988	11	0.9167	0.0301
January 1, 1993	8	0.6667	0.0219
January 1, 1995	10	0.8333	0.0274
January 1, 1999	9	0.7500	0.0247
January 1, 2001	10	0.8333	0.0274
February 1, 2002	8	0.6667	0.0219
February 1, 2003	7	0.5833	0.0192
January 1, 2004	6	0.5000	0.0164
January 1, 2005	5	0.4167	0.0137
January 1, 2006	7	0.5833	0.0192
January 1, 2007	9	0.7500	0.0247
January 1, 2009	6	0.5000	0.0164

(5) Decimal places used in computations. In all computations, the interest rate will consist of six decimal places.

Example A: A 2002 return is filed and a tax of \$500 is paid on February 25, 2006. Interest is computed as follows:

- 4/16/2003 – 1/15/2004 9 mos. @ .5833% = \$ 26.25
- 1/16/2004 – 1/15/2005 12 mos. @ .5% = 30.00
- 1/16/2005 – 1/15/2006 12 mos. @ .4167% = 25.00
- 1/16/2006 – 2/15/2006 1 month @ .5833% = 2.92
- 2/16/2006 – 2/25/2006 10 days @ .0192% = .96
- Total interest \$ 85.13

The new interest rate, even though effective on the first day of a month, does not apply until the first day of the first interest period that begins after the effective date. In this example, the first interest period begins on the 16th of the month.

Stat. Auth.: ORS 305.100; ORS 305.220

Stat. Implemented: ORS 305.220

Hist.: RD 2-1986, f. 7-2-86, cert. ef. 8-1-86; RD 8-1986, f. & cert. ef. 12-31-86; RD 14-

1987, f. 12-18-87, cert. ef. 1-16-88; RD 11-1988, f. 12-19-88, cert. ef. 12-31-88; RD 12-1990, f. 12-20-90, cert. ef. 12-31-90; RD 7-1992, f. & cert. ef. 12-29-92; RD 5-1993, f. 12-30-93, cert. ef. 12-31-93; RD 7-1994, f. 12-15-94, cert. ef. 12-30-94; REV 7-1998, f. 11-13-98, cert. ef. 12-31-98; REV 12-2000, f. & cert. ef. 12-29-00, cert. ef. 12-31-00; REV 9-2001, f. 12-31-01, cert. ef. 2-1-02; REV 9-2002, f. 12-31-02, cert. ef. 1-31-03; REV 4-2003, f. & cert. ef. 12-31-03; REV 10-2004, f. 12-29-04 cert. ef. 12-31-04; REV 5-2005, f. 12-30-05, cert. ef. 1-1-06; REV 11-2006, f. 12-27-06, cert. ef. 1-1-07, 1-1-09

150-305.220(2)

Interest on Refunds

(1) Adjustment to statutory rate. For interest periods beginning on or after January 1, 2009, unless specifically provided by statute or by rule, every refund arising under any law administered by the Department of Revenue will bear interest at the rate of 0.5 percent per month (6 percent annually). For a fraction of a month, interest will be computed at 0.0164 percent per day. For historic rates, see section (6) of this rule.

(2) Interest starting date. (a) As provided in OAR 150-314.415, the interest starting date for refunds of individual income tax, corporate excise tax, or corporate income tax, is 45 days after the date the tax was paid, 45 days after the return was due or 45 days after the original return was filed, whichever is latest.

(b) The interest starting date for refunds not described in (2)(a) is 45 days after the return was due or 45 days after the date the tax was paid, whichever is later.

(3) Interest periods. An interest period is each full month starting with the interest starting date and ending one day before the corresponding date one month later. Interest will be computed on a daily basis for a fraction of a month. The daily rate is based on a 365 day year.

(4) Interest rates. For interest periods beginning on or after June 1, 1983, the interest rate paid on refunds will be the same as the interest rate charged on deficiencies and delinquencies.

(5) Decimal places used in computations. In all computations, the interest rate will consist of six decimal places.

(6) The following table shows interest rates used by the Oregon Department of Revenue to compute interest due to taxpayers on refunds.

Percentage Rates

Effective date	Annual rate	Monthly rate	Daily rate
January 1, 1969	8	0.6667	—
September 13, 1975	6	0.5000	—
June 1, 1982	12	1.0000	0.0329
June 1, 1983	18	1.5000	0.0493
August 1, 1986	17	1.4167	0.0466
January 1, 1987	16	1.3333	0.0438
January 1, 1988	11	0.9167	0.0301
January 1, 1993	8	0.6667	0.0219
January 1, 1995	10	0.8333	0.0274
January 1, 1999	9	0.7500	0.0247
January 1, 2001	10	0.8333	0.0274
February 1, 2002	8	0.6667	0.0219
February 1, 2003	7	0.5833	0.0192
January 1, 2004	6	0.5000	0.0164
January 1, 2005	5	0.4167	0.0137
January 1, 2006	7	0.5833	0.0192
January 1, 2007	9	0.7500	0.0247
January 1, 2009	6	0.5000	0.0164

Example 1: Debby files her 2002 return on April 15, 2003. Debby later files a 2002 amended return on May 15, 2005, asking for a refund of \$500. The refund is paid on July 22, 2005. The interest is computed as follows:

5/30/2003 – 1/29/2004 8 mos. @ .5833% = \$23.33

1/30/2004 – 1/29/2005 12 mos. @ .5% = 30.00

1/30/2005 – 6/29/2005 5 mos. @ .4167% = 10.42

6/30/2005 – 7/22/2005 23 days @ .0137% = 1.58

Total interest \$65.33

The new interest rate, even though effective on the first day of a month, does not apply until the first day of the first interest period that begins after the effective date. In this example, the first interest period begins on the 30th of the month.

Example 2: Tom filed his 2004 return and paid the tax due on April 6, 2005. On November 1, 2006, Tom filed a 2004 amended return to claim a refund of \$1,000. The refund was paid on December 11, 2006. The interest starting date is May 30, 2005, the 45th day after the return was due. The interest is computed as follows:

5/30/2005 – 01/29/2006 8 mos. @ .4167% = 33.34

1/30/2006 – 11/29/2006 10 mos. @ .5833% = 58.33

11/30/2006 – 12/11/2006 12 days @ .0192% = 2.30

Total interest \$ 93.97

Stat. Auth.: ORS 305.100; ORS 305.220

Stat. Implemented: ORS 305.220

Hist.: 5-5-82, 6-15-82; 12-31-82, Renumbered from Ch. 16. Or Laws 1982 (2nd SS) to 150-314.415(1)(a); 12-31-85; 12-31-86; Renumbered from 150-314.415(1)(a); RD 15-1987, f. 12-10-87, cert. ef. 12-31-87, Renumbered from 305.220; RD 11-1988, f. 12-19-88, cert. ef. 12-31-88; RD 7-1989, f. 12-18-89, cert. ef. 12-31-89; RD 12-1990, f. 12-20-90, cert. ef. 12-31-90; RD 7-1991, f. 12-30-91, cert. ef. 12-31-91; RD 7-1992, f. & cert. ef. 12-29-92; RD 7-1993, f. 12-30-93, cert. ef. 12-31-93; RD 7-1994, f. 12-15-94, cert. ef. 12-30-94; REV 7-1998, f. 11-13-98, cert. ef. 12-31-98; REV 12-2000, f. & cert. ef. 12-29-00, cert. ef. 12-31-00; REV 9-2001, f. 12-31-01, cert. ef. 2-1-02; REV 9-2002, f. 12-31-02, cert. ef. 1-31-03; REV 4-2003, f. & cert. ef. 12-31-03; REV 10-2004, f. 12-29-04 cert. ef. 12-31-04; REV 5-2005, f. 12-30-05, cert. ef. 1-1-06; REV 11-2006, f. 12-27-06, cert. ef. 1-1-07; REV 11-2007, f. 12-28-07, cert. ef. 1-1-08, 1-1-09

150-305.385(6)-(B)

Certificate of Compliance With Oregon Tax Laws

(1) Each certificate of compliance with Oregon tax laws and local taxes administered by the department shall contain the following elements:

(a) For individuals, including sole proprietors, a statement certifying under penalty of perjury that the individual is, to the best of the individual's knowledge, in compliance with Oregon tax laws.

(b) For corporations, partnerships, estates and trusts, a statement by an authorized individual certifying under penalty of perjury that the vendor is, to the best of the representative's knowledge, in compliance with Oregon tax laws.

(c) A list of the Oregon tax laws referred to in ORS 305.380(4).

(2) Notarization by a notary public is not required.

(3) An example of an acceptable format for the certificate is:

CERTIFICATE OF COMPLIANCE WITH OREGON TAX LAWS

I, the undersigned, hereby swear or affirm under penalty of perjury: (Check one)

_____ that I am, to the best of my knowledge, not in violation of any Oregon tax laws.
_____ that I am authorized to act in behalf of (corporation, partnership, trust or estate), that I have authority and knowledge regarding the payment of taxes, and that (corporation, partnership, trust or estate) is, to the best of my knowledge, not in violation of any Oregon tax laws.

For purposes of this certificate, 'Oregon tax laws' means those programs listed in ORS 305.380(4). Examples include the state inheritance tax, personal income tax, withholding tax, corporation income and excise taxes, amusement device tax, timber taxes, cigarette tax, other tobacco tax, 9-1-1 emergency communications tax, the elderly rental assistance program and local taxes administered by the Department of Revenue (Lane Transit District Self-Employment Tax, Lane Transit District Employer Payroll Tax, Tri-Metropolitan Transit District Employer Payroll Tax, and Tri-Metropolitan Transit District Self-Employment Tax).

Signature: _____

Date: _____

Printed Name: _____

Title: _____

Hist: Filed 1/5/90 and Eff. 3/15/90; Amended 12/31/96; 6/30/99; 12/31/99