

FOOD PROCESSOR EXEMPTION CLAIM

[Oregon Revised Statute (ORS) 307.453 – 307.459]



DEPARTMENT OF REVENUE USE ONLY
Postmark date

INSTRUCTIONS

- See page 2 of this form for further filing instructions.
- File with the Oregon Department of Revenue if it appraises your property under ORS 306.126. If your property is appraised by the county assessor, file with the assessor of the county where the property is located.
- File after January 1 and **on or before March 1** directly following the year in which the property is newly acquired and first placed into service.
- Attach the certification(s) listing all qualified machinery and equipment certified by the Oregon Department of Agriculture.
- This claim for exemption is filed **in addition** to filing your Industrial Property Return or Real Property Return on or before March 15, under ORS 308.290.
- You may access this form on the Department of Revenue’s website at www.oregon.gov/dor/forms.

FOR ASSESSOR'S USE ONLY		
Date received	Received by	Filing fee \$
Account number	Code area number	<input type="checkbox"/> Approved <input type="checkbox"/> Denied
Briefly give reason for denial		

FILER / TAXPAYER

Name of food processor		Phone number	County where business and property are located	
Mailing address		City	State	ZIP code
Location of property (street address if different from above)		City	State	ZIP code
Map and tax lot number of site	Contact person		Title	
Email (optional)				

LATE FILING

- Check to indicate that you are filing after March 1 and on or before December 31 in the year of exemption.
- Check to indicate that you are including, with this claim, the **required** late filing fee.
- Check to indicate the method you used to calculate your late filing fee. You must choose the one method that equals the greater amount.

\$200, **or**

$\frac{1}{10}$ of 1 percent of the real market value (RMV) of your certified exempt real and personal property:
 $0.001 \times \text{_____ (RMV)} = \text{_____ (late filing fee)}$

To arrive at your RMV, add the invoice cost of the machinery and equipment, installation, engineering, and miscellaneous costs including machinery process piping, foundations, power wiring, interest during installation, and freight.

EXEMPTION ON QUALIFIED PROPERTY

- This property tax exemption is requested to begin in the tax year beginning July 1, _____ for property first put in service in calendar year _____.
- Certification(s) listing all qualified machinery and equipment is attached. Check here if you’ve attached additional pages.
 Certification number: _____ Certification number: _____
 Certification number: _____ Certification number: _____
 Certification number: _____ Certification number: _____



- 3. Check if property on certification # _____ is used to process grains or bakery products and must meet the minimum \$100,000 real market value requirement to be exempted.
- 4. Check if property on certification # _____ is used to process bakery products and retail sales at the processing site are 10% or less of total sales at the site.
- 5. Check to indicate that your business is responsible for payment of all ad valorem taxes assessed on all of the subject certified property held by you under a lease or lease agreement.

DECLARATION*

I declare under penalties of false swearing [ORS 305.990(4)] that I have examined this document and attachments, and to the best of my knowledge, they are true, correct, and complete. I have concluded that my business satisfies the requirements of a qualified business and complies with all local, Oregon, and federal laws that are applicable to my business.

MUST BE SIGNED BY AN OWNER, COMPANY EXECUTIVE, OR AUTHORIZED REPRESENTATIVE OF THE BUSINESS*

Signature*

Date*

X

Title (if not an owner or executive, attach letter attesting to appropriate contractual authority)

– THIS CLAIM DOES NOT REPLACE YOUR INDUSTRIAL OR REAL PROPERTY RETURN –

Instructions for Oregon Food Processor Exemption Claim

ORS 307.455 allows a property tax exemption for food processors' qualified real and personal property machinery and equipment (M&E) that is certified by the Oregon Department of Agriculture (ODA). To receive an exemption, the qualified M&E must first be certified by ODA and then the food processor needs to file a *Food Processor Exemption Claim* form (150-303-085-1) along with copies of the ODA-approved certification form(s). The exemption begins the first tax year following certification and filing of the claim for exemption and continues for the next four succeeding tax years if, as of January 1 of each year, the certified M&E remains qualified. Read below for further filing instructions.

How Do I Qualify?

- A *"food processor"* must be engaged in the business of freezing, canning, dehydrating, concentrating, preserving, processing, or repacking for human consumption raw or fresh fruit, vegetables, nuts, legumes, grains, bakery products, dairy products, eggs, or seafood in any procedure that occurs **prior to the point of first sale** by the processor.
- "Qualified machinery and equipment," whether new or used, must be newly acquired by a food processor and first placed into service prior to January 1 preceding the first tax year for which an exemption is claimed. (Visit ODA's website at www.oregon.gov/oda for definitions of "newly acquired" and "placed into service," rules, and other information relating to this law).
- Qualified machinery and equipment used in processing grain or bakery products must have a combined real market value of \$100,000 or more when first placed in service. Machinery and equipment used in bakery products processing cannot qualify if retail sales at the site are greater than 10 percent of total site sales.
- *"Qualified real property M&E"* must be used by a food processor in the **primary processing** of raw or fresh fruit, vegetables, nuts, legumes, grains, bakery products, dairy products, eggs, or seafood.
- *"Qualified personal property M&E"* must be used by a food processor in an **integrated processing line for the primary processing** of raw or fresh fruit, vegetables, nuts, legumes, grains, bakery products, dairy products, eggs, or seafood. An "integrated processing line" does not include forklifts, trucks, or other rolling stock used to transport material to or from a point of manufacture or assembly.

How Do I Get The Exemption?

- **Make a written request** to ODA for **certification of qualified M&E**. The forms for certification (*Oregon Food Processor Certification of Qualified Machinery and Equip-*

ment, 150-303-085-3 through -6) are available from ODA or from the Department of Revenue's (DOR) website at www.oregon.gov/dor/forms. Choose from four different certification forms, depending on if you own or lease your real or personal property M&E. Use the appropriate certification form and if your property is leased, **use a separate sheet for each lessor**. For information about the certification process and how to schedule a certification visit with ODA, go to www.oregon.gov/oda.

- After your qualified M&E has been certified by ODA, retain the ODA approved and signed *Oregon Food Processor Certification of Qualified Machinery and Equipment* form(s) for your records.
- **Claim the exemption** by completing the *Food Processor Exemption Claim* form (150-303-085-1). This form is available on DOR's website at www.oregon.gov/dor/forms.
- **File the exemption claim** with DOR if it appraises your property under ORS 306.126. If your property is appraised by the county assessor, file with the assessor of the county where your property is located.
- **The Oregon Food Processor Exemption Claim is filed in addition to filing your Industrial Property Return or Real Property Return. The Exemption Claim does not replace your Industrial or Real Property Return.**
- Attach the ODA-approved certification form(s), *Oregon Food Processor Certification of Qualified Machinery and Equipment*, to the exemption claim form.
- The exemption begins the first tax year following certification and filing of the claim for exemption and continues for the next four succeeding tax years if, as of January 1 of each year, the certified M&E remains qualified. Visit ODA's website at www.oregon.gov/oda to learn more about the certification process and how to report changes to your certified M&E.

When Do I File?

- **After January 1 and on or before March 1** directly following the year in which the property is newly acquired **and** first placed into service.
- **Late filing** is after March 1 and on or before December 31 directly following the year in which the property is newly acquired and first placed into service. If you file late, you **must** include with your claim a late filing fee of the greater of \$200 or one-tenth of one percent of the real market value of the property that is the subject of your claim.