Clear form

2017 Schedule OR-DEPR

Page 1 of 1, 150-101-025 (Rev. 12-17) Oregon Department of Revenue

00321701010000

Office use only

Oregon Depreciation Schedule

For individuals, partnerships, corporations, and fiduciaries

Don't complete this schedule if your federal and Oregon depreciation are the same.

First name	Last name	Social Security number (SSN)	Federal employer identification number (FEIN)
Spouse's first name	Spouse's last name	Spouse's SSN	
Business name			

1a. Property description

1b. Date placed in service in Oregon

1c. Cost or other basis .00

1d. Oregon depreciation allowed or allowable in earlier years .00

1e. Oregon depreciation method

1f. Property life or rate

1g. 2017 Oregon depreciation .00

1h. 2017 Federal depreciation .00

2a. Property description

2b. Date placed in service in Oregon

2c. Cost or other basis .00

2d. Oregon depreciation allowed or allowable in earlier years .00

2e. Oregon depreciation method

2f. Property life or rate

2g. 2017 Oregon depreciation .00

2h. 2017 Federal depreciation .00

3a. Property description

3b. Date placed in service in Oregon

3c. Cost or other basis .00

3d. Oregon depreciation allowed or allowable in earlier years .00

3e. Oregon depreciation method

3f. Property life or rate

3g. 2017 Oregon depreciation .00

3h. 2017 Federal depreciation .00

4a. Property description

4b. Date placed in service in Oregon

4c. Cost or other basis .00

4d. Oregon depreciation allowed or allowable in earlier years .00

4e. Oregon depreciation method

4f. Property life or rate

4g. 2017 Oregon depreciation .00

4h. 2017 Federal depreciation .00

5. Totals. Add up the amounts in columns g and h............. 5g. .00 5h. .00

6. You have an **Oregon addition** if box 5g is **less** than box 5h. Enter difference here....................... 6. .00

7. You have an **Oregon subtraction** if box 5g is **more** than box 5h. Enter difference here................ 7. .00

—**Don't** include this form with your Oregon return. Keep it with your records. Complete a new schedule each year.—

Instructions for Oregon Depreciation Schedule

Oregon is generally tied to federal law. But there are exceptions for assets placed in service during calendar years 2009 and 2010. For each asset, figure both your federal and Oregon depreciation deductions for the year using appropriate methods. Enter the information in boxes a through h, using additional forms as needed. In column e, abbreviate the depreciation method you used for that asset, such as "MACRS" for Modified Accelerated Cost Recovery System, or "150% DB" for 150 percent declining balance.

Addition or subtraction

Full-year residents. If you have an amount on line 6, enter it on Schedule OR-ASC, section 1, using addition code 152. If you have an amount on line 7, enter it on Schedule OR-ASC, section 2, using subtraction code 354.

Part-year residents and nonresidents. You will need to determine both the federal and Oregon amounts to report on Schedule OR-ASC-NP.

- **Federal amount:** Complete one Schedule OR-DEPR for **all** assets both inside and outside Oregon.
- **Oregon amount:** Complete another Schedule OR-DEPR only for property you owned while an Oregon resident, **or** property used to produce Oregon income.

If both schedules have an amount on line 6, enter the federal and Oregon amounts on the same line on Schedule OR-ASC-NP, section 2, and use addition code 152.

If both schedules have an amount on line 7, enter the federal and Oregon amounts on the same line on Schedule OR-ASC-NP, section 3, and use subtraction code 354.

If one schedule has an amount on line 6 and the other schedule has an amount on line 7 (in other words, Oregon depreciation is more than federal for Oregon property but not for all property, or vice-versa), on Schedule OR-ASC-NP:

- Enter the addition amount in the appropriate column in section 2, with -0- in the other column; and
- Enter the subtraction amount in the appropriate column in section 3, with -0- in the other column.

Partnerships, corporations, and fiduciaries

You may also use this form to figure the difference in depreciation you report on these Oregon forms:

- Form OR-65, *Oregon Partnership Return of Income.*
- Form OR-20, *Oregon Corporation Excise Tax Return.*
- Form OR-20-INC, *Oregon Corporation Income Tax Return.*
- Form OR-20-S, *Oregon S Corporation Tax Return.*
- Form OR-20-INS, *Oregon Insurance Excise Tax Return.*
- Form OR-41, *Oregon Fiduciary Income Tax Return.*

Assets placed in service on or after January 1, 1981 and before January 1, 1985

Oregon depreciation didn't match federal depreciation for assets placed in service on or after January 1, 1981 and before January 1, 1985. If you are still depreciating assets placed in service during this period, contact the department to determine your correct reporting.

Assets placed in service on or after January 1, 1985 and before January 1, 1987

Oregon adopted the federal Accelerated Cost Recovery System (ACRS) method of depreciation for assets placed in service during these two years. There is no depreciation difference for these assets.

Assets placed in service on or after January 1, 1987

MACRS is effective for assets placed in service on or after January 1, 1987 (see exception below for assets placed in service during 2009 and 2010). The method and life will be the same as you used on the federal return. If you elect to expense the cost of qualifying assets under IRC Section 179, the election and amount is also effective for Oregon purposes.

Credits that reduce only your federal basis will cause a difference in depreciation for Oregon. This will be the only cause for a difference in depreciation for corporations.

Exception: Assets placed in service on or after January 1, 2009 and before January 1, 2011

Oregon didn't adopt changes made to IRC Section 168(k) (bonus depreciation) or to any expensing limits under IRC Section 179 for this period.

Assets first placed in service outside of Oregon

Did you bring an asset into Oregon after it was first placed in service outside of Oregon? If so, use a depreciation method available for the year the asset was first placed in service outside of Oregon.

The Oregon basis for depreciation is generally the lower of the federal unadjusted basis or the fair market value. The federal unadjusted basis is the original cost before any adjustments. Adjustments include: reductions for investment tax credits, depletion, amortization, or amounts expensed under IRC Section 179. The fair market value is figured when the asset is brought into Oregon.

Did you first place assets in service outside of Oregon **before** January 1, 1981? If so, your Oregon basis will be the same as your federal basis.

For assets placed in service outside of Oregon before 1985, the useful life is based on Oregon law in effect at the time the asset was originally placed in service and is determined when the asset is brought into Oregon. For assets placed in service outside of Oregon after 1984, the useful life is determined when the asset is placed in service for Oregon tax purposes.

Example 1. Jeff has owned a business in Caldwell, Idaho since 2006 when he placed in service a building purchased for $250,000. The building qualified for MACRS depreciation as 20-year real property. On June 1, 2014, Jeff bought a light truck for $45,000. The truck qualified as five-year property depreciated under MACRS. On January 1, 2017, Jeff moved to Ontario, Oregon. Since Jeff brought his business assets into Oregon, he had to figure his Oregon basis in order to depreciate the assets for Oregon.

	Building	**Truck**
Cost (federal unadjusted basis)	$250,000	$45,000
Fair market value (as of 01/01/17)	$495,000	$32,000

The Oregon basis of the building is $250,000.

The Oregon basis of the truck is $32,000. Oregon adopted MACRS for assets first placed in service after December 31, 1986, so Jeff used MACRS for Oregon purposes as well. He began depreciating the building based on its original recovery period of 20 years and he began depreciating the truck based on its original recovery period of five years.

Assets subject to apportionment

The basis of an asset subject to apportionment rules when brought into Oregon is figured as if it had always been subject to Oregon tax. The original unadjusted basis is reduced by depreciation allowable in previous years, using a method acceptable to Oregon for the year the asset is placed in service. This adjusted basis is depreciated over the remaining useful life using the same allowable method.

Example 2. A California partnership started operation by purchasing a Los Angeles building on July 1, 1999 for $950,000. For federal purposes, the partnership depreciated the building under MACRS as 20-year property. The partnership began doing business in Oregon on July 1, 2001. Since the partnership is subject to the apportionment rules, the basis of the building for Oregon is as if the building was depreciated for Oregon using MACRS 20-year (straight-line method) from the date of purchase.

Cost		$950,000
1999 depreciation	(23,750)	
2000 depreciation	(47,500)	
2001 depreciation through June 30	(23,750)	(95,000)
Oregon basis as of July 1, 2001		$855,000

For Oregon purposes, the building is depreciated using an Oregon basis of $855,000 and is depreciated over the remaining useful life (18 years) using the same allowable method.

Do you have questions or need help?

www.oregon.gov/dor
(503) 378-4988 or (800) 356-4222
questions.dor@oregon.gov

Contact us for ADA accommodations or assistance in other languages.