

Form OR-20 Instructions Oregon Corporation Excise Tax

2025

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Information contained herein is a guide. For complete details of law, refer to Oregon Revised Statutes (ORS) and Oregon Administrative Rules (OAR).

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- **Announcements and FAQ.**
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Purpose of Form OR-20

Use Form OR-20, Oregon Corporation Excise Tax Return, to calculate and report the Oregon corporate excise tax liability of a business entity taxable as a C corporation doing business in Oregon.

Important reminders

If your registered corporation or insurance company isn't doing business in Oregon and has no Oregon-source income, then you don't need to file a corporation tax return.

Revenue Online. Revenue Online provides convenient, secure access to tools for managing your Oregon tax account. With Revenue Online, you may:

- View your tax account.
- Make payments.
- View correspondence we sent you.
- Check the status of your refund.

For more information and instructions on setting up your Revenue Online account, visit www.oregon.gov/dor.

What's new

Note: Not all information in this section pertains to all taxpayers or form types. If applicable, refer to House Bills (HB) or Senate Bills (SB) as shown.

Visit www.oregon.gov/dor for possible updates to these instructions.

General

Tie to federal tax law

In general, Oregon tax law is based on federal tax law. Oregon is tied to the federal definition of taxable income as of December 31, 2023; however, Oregon is still disconnected from:

- Federal subsidies for prescription drug plans (IRC §139A; ORS 317.401).
- Deferral of certain deductions for tax years beginning on or after January 1, 2009 and before January 1, 2011 may require subsequent Oregon modifications (IRC §168(k) and §179; ORS 317.301).

Credits

Affordable housing lenders tax credit (ORS 317.097)

HB 2087 (2025) allows the credit for loans made to a qualified mortgage loan fund for loans made or modified on or after January 1, 2026, and tax years beginning on or after, January 1, 2026. HB 3589 (2025) allows the tax credit if the project received money from the Elderly and Disabled Housing Fund under ORS 456.535.

Agricultural overtime tax credit (ORS 315.133)

HB 2339 (2025) allows the agricultural overtime tax credit to be applied against ORS 317.090(2)(a) minimum tax (generally for C corporations) for tax years beginning on or after January 1, 2023.

Research and development for semiconductor companies (ORS 315.518 to 315.522)

HB 2095 (2025) deleted the reference to the alternative incremental credit at IRC 41(c)(4).

General credits

HB 2087 (2025) extended the sunset dates of the following tax credits. Unless otherwise noted, the sunset dates were extended to tax years beginning before January 1, 2032.

- Crop donation tax credit. The credit percentage is raised to 25% for tax years beginning on or after January 1, 2025 (ORS 315.156).
- Manufactured dwelling park capital gains subtraction (note following ORS 317.401).
- Individual Development Accounts (IDA) donations tax credit, donations to a fiduciary organization must be made prior to April 15, 2030 (ORS 315.271).
- Oregon Production Investment Fund (OPIF) tax credit auctions (ORS 315.514).

Estimated tax payments

Requirements

Oregon estimated tax payment requirements aren't the same as federal estimated tax payment requirements. You must make estimated tax payments if you expect to owe tax of \$500 or more. This includes Oregon's minimum tax. See ORS 314.505 to 314.525 and supporting administrative rules.

If you don't make estimated payments as required, you may be subject to interest on underpayment of estimated tax (UND). Refer to Form OR-37 if you have an underpayment of estimated tax.

Payment due dates

Estimated tax payments are due quarterly, as follows:

- **Calendar year filers:** April 15, June 15, September 15, and December 15.
- **Fiscal year filers:** The 15th day of the 4th, 6th, 9th, and 12th months of your fiscal year.
- If the due date falls on a Saturday, Sunday, or legal holiday, use the next regular business day.

Payment options

Important: For details about making payments **with your return**, see "Filing checklist" below.

Estimated payments may be made by electronic funds transfer (EFT), online, or by mail.

EFT. You **must** make your Oregon estimated payments by EFT if you're required to make your federal estimated payments by EFT. We may grant a waiver from EFT payments if you'd be disadvantaged by the requirement (ORS 314.518 and supporting administrative rules).

If you don't meet the federal requirements for mandatory EFT payments, you may still make voluntary EFT payments.

You can make EFT payments through Revenue Online or through your financial institution. To learn more about Revenue Online or to make an EFT payment, visit www.oregon.gov/dor. If you pay by EFT, **don't** send Form OR-20-V, *Oregon Corporation Tax Payment Voucher*.

Mail. If paying by mail, send each payment with a Form OR-20-V, payment voucher, to: Oregon Department of Revenue, PO Box 14950, Salem OR 97309-0950.

Include on your check:

- Federal employer identification number (FEIN).
- Tax year beginning and ending dates.
- Contact phone.

Estimated tax payments worksheet

(Keep for your records—don't file with your payment.)

- | | |
|--|----------|
| 1. Oregon net income expected in upcoming tax year. | 1. _____ |
| 2. Tax on Oregon net income (see Appendix B). | 2. _____ |
| 3. Subtract tax credits allowable in upcoming tax year. Tax credits can't be used to reduce minimum tax. | 3. _____ |
| 4. Net tax (line 2 minus line 3). | 4. _____ |
- If the amount on line 4 is less than \$500, **stop**. You don't have to make estimated tax payments.
- Caution: If your final tax liability when you file your return is \$500 or more, you may be subject to UND.**
- | | |
|---|----------|
| 5. Amount of each payment. (Divide line 4 by the number of payments you need to make. This is usually 4.) | 5. _____ |
|---|----------|

If your expected net tax changes during the year, refigure your estimated tax payments using the *Estimated tax payments worksheet*.

To avoid additional charges for UND, you must pay the amount of any prior underpayment plus the amount of the current required payment.

Example: During the year, Corporation A's expected net tax increased from \$2,000 to \$6,000. Corporation A made timely first and second quarter estimated payments of \$500 before its expected net tax increased.

Corporation A should make four payments of \$1,500 each during the year. Because of its increased net tax, Corporation A will be subject to UND charges for the first and second quarters. To avoid UND charges for the third and fourth quarters, Corporation A must make timely payments of \$3,500* for the third quarter and \$1,500 for the fourth quarter.

*\$1,000 for the first-quarter underpayment, plus \$1,000 for the second-quarter underpayment, plus \$1,500 for the required third-quarter installment equals \$3,500.

Filing information

Who must file with Oregon?

Corporations that are doing business in Oregon, or with income from an Oregon source, are required to file an Oregon corporation tax return. If you have tangible or intangible property or other assets in Oregon, any income you receive from that property or assets is Oregon source income. Public Law (Pub.L.) 86-272 provides exceptions to the Oregon filing requirement for certain corporations doing business in Oregon.

Exemption for emergency service providers. An out-of-state emergency service provider is exempt from tax when operating solely for the purposes of performing disaster or emergency-related work on critical infrastructure. Disaster or emergency-related work conducted by an out-of-state business may not be used as the sole basis for determining that a corporation is doing business in Oregon.

Note: Oregon follows the **federal entity classification regulations**. If an entity is classified or taxed as a corporation for federal income tax purposes, it will be treated as a corporation for Oregon tax purposes.

Excise or income tax?

Oregon has two types of corporate taxes: excise and income. **Excise tax is the most common.** Most corporations don't qualify for Oregon's income tax.

Excise tax is a tax for the privilege of **doing business** in Oregon. It's measured by net income. Excise tax filers are subject to corporate minimum tax. Corporation excise tax laws are in Chapter 317 of the Oregon Revised Statutes.

Note: All interest on obligations of the 50 states and their subdivisions are subject to Oregon excise tax. Interest on obligations of the United States and its instrumentalities are also subject to tax if the interest is taxable under the Internal Revenue Code and Congress has not chosen to

prevent the states from taxing the interest in question. A taxpayer has the burden of showing that Oregon can't tax the interest on a federal obligation.

Income tax is for corporations **not doing business** in Oregon, but with income from an Oregon source. Income tax filers aren't subject to corporate excise or minimum tax. Corporation income tax laws are in Chapter 318 of the Oregon Revised Statutes.

What form do I use?

Except as provided by Pub.L. 86-272, all corporations **doing business** in Oregon must file Form OR-20, and are subject to the minimum excise tax. Any corporation **doing business** in Oregon is also required to register with the Secretary of State, Corporation Division. See www.sos.oregon.gov.

"Doing business" means **carrying on or being engaged in any profit-seeking activity** in Oregon. A taxpayer having one or more of the following in this state is clearly doing business in Oregon:

- A stock of goods.
- An office.
- A place of business (other than an office) where affairs of the corporation are regularly conducted.
- Employees or representatives providing services to customers as the primary business activity (such as accounting or personal services), or services incidental to the sale of tangible or intangible personal property (such as installation, inspection, maintenance, warranty, or repair of a product).
- An economic presence through which the taxpayer regularly takes advantage of Oregon's economy to produce income.

Corporations **not doing business** in Oregon, but with income from an Oregon source, must file Form OR-20-INC. Most corporations don't fall within Oregon's income tax provisions.

Corporations **not doing business** in Oregon, and with **no Oregon source income**, even if incorporated in or registered to do business in the state, aren't subject to the excise, income, or minimum tax, and aren't required to file a corporation tax return.

Important: Don't file a Form OR-20 unless you're required to do so. Filing an unnecessary return may result in a billing for minimum tax.

Filing requirements

Consolidated federal returns (ORS 317.705–317.725). If a corporation is a member of an affiliated group of corporations that filed a consolidated federal return, it must file an Oregon return based on that federal return. An Oregon return, based on the federal consolidated return, is required when two or more affiliated corporations are:

- Included in a consolidated federal return;
- Unitary; and
- At least one of the affiliated corporations doing business in Oregon or have Oregon-source income.

Note: S corporations can't be included in consolidated federal returns. IRC §1361(b) provides that a corporation that's a Qualified Subchapter S Subsidiary (QSSS) isn't treated as a separate corporation. All income, deductions, and credits of the QSSS will be treated as belonging to the parent S corporation.

Unitary business. A business that has, directly or indirectly between members or parts of the enterprise, either a sharing or an exchange of value shown by:

- Centralized management or a common executive force;
- Centralized administrative services or functions resulting in economies of scale; or
- Flow of goods, capital resources, or services showing functional integration.

Unitary insurance affiliates. If a unitary insurance affiliate has a separate return filing requirement, it's excluded from the Oregon return of the consolidated group. The insurance affiliate is treated as if it's a non-unitary affiliate of the consolidated group by subtracting income or adding losses to federal taxable income. The other members of the insurer's federal consolidated group receive a 100 percent dividend-received deduction for any dividend received from the insurer. See "Additions" and "Subtractions" below.

Separate federal returns. Any corporation that files a separate federal return must file a separate Oregon return if it's doing business in Oregon or has income from an Oregon source. However, see special filing requirements for REITs.

A corporation subject to Oregon taxation must also file a separate Oregon return if it was included in a consolidated federal return, but wasn't unitary with any of the other affiliates. To determine Oregon taxable income, begin with taxable income from the consolidated federal return and use Oregon additions or subtractions to remove the nonunitary affiliates.

E-file

If you're required to e-file with the IRS, you're also required to e-file for Oregon (ORS 314.364). We accept calendar year, fiscal year, short year, and amended electronic corporation tax returns utilizing the IRS Modernized e-file platform (MeF). Beginning January 2026, we'll accept e-filed returns for tax year 2025, and will continue accepting returns for 2024 and 2023.

Your tax return software also allows you to make electronic payments when e-filing your **original** return.

Note: Your paper return may be rejected if you're required to electronically file your Oregon corporation

tax return, unless a waiver request has been approved by us prior to the filing of the paper return.

If you'd like to request a waiver, send an email with the FEIN, tax year, and reason you're unable to e-file to bus.electronicfiling@dor.oregon.gov, prior to paper-filing your return.

For a list of software vendors or for more information, search "e-filing" at www.oregon.gov/dor.

Federal or other state audit changes

If the IRS or other taxing authority changes or corrects your federal or other state return for any tax year, you **must** notify us. File an amended Oregon return and include a copy of the federal or other state audit report. Mail this **separately** from your current year's return.

If you don't amend or send a copy of the federal or other state report, we have two years from the date we're notified of the change to issue a deficiency notice. To receive a refund you must file a claim for refund of tax within two years of the date of the federal or other state report.

Amended returns

Oregon doesn't have an amended return form for corporations. Use the form for the tax year you're amending and check the **amended** box. **Always use your current address.** If your address has changed, don't use your old address or our system will revert your current address to the old address.

Fill in all amounts on your amended return, even if they're the same as originally filed. If you're amending to change additions, subtractions, or credits, include detail of all items and amounts, including carryovers.

If you change taxable income by filing an original or amended federal or other state return, you must file an amended Oregon return within **90 days** of when the original or amended federal or other state return is filed (ORS 314.380). Include a copy of your original or amended federal or other state return with your amended Oregon return and explain the changes.

If you filed Form OR-20-S, and later determined you should file Form OR-20, amend your return using Form OR-20 and check the amended box.

You may make payments online for your amended return at www.oregon.gov/dor.

Don't make payments for amended returns with EFT. This also applies to e-filed amended returns. For paper returns, you may pay online or include a check or money order with your return. For e-filed returns, you may pay online or send a check or money order separately. If you mail your payment separate from your return, write "**Amended**" on the payment and include a completed Form OR-20-V with the amended box checked.

Don't amend your Oregon return if you amend the federal return to carry a net operating loss back to prior years. Oregon allows corporations to **carry net operating losses forward only**.

On the **estimated tax payments** line of your amended Form OR-20, enter the net excise tax per the original return or as previously adjusted. Don't include any penalty or interest portions of payments already made.

If paying additional tax with your amended return, you must include interest with your payment. Interest is figured from the day after the due date of your original return up to the day we receive your full payment. See "Interest rates."

Pay all tax and interest due with your amended return or within 30 days of receiving a billing notice from us to avoid being charged a 5 percent late payment penalty.

Protective claims

Don't file an amended return as a protective claim. Use Oregon Form OR-PCR, *Protective Claim for Refund*, 150-101-184, when your claim to a refund is contingent on a pending court decision or legislative action. Notify us within 90 days of the final determination by filing an amended return. Don't file an amended return before the pending action is final.

Special filing requirements

Agricultural or horticultural cooperatives

For purposes of the **corporate minimum tax only**, the Oregon sales of agricultural or horticultural cooperatives doesn't include sales representing business done with or for the cooperative's members. If you're an agricultural or horticultural cooperative, check the box in the header for Ag co-op.

Your Schedule OR-AP, part 1, must show **all** sales in Oregon and elsewhere to correctly compute your apportionment percentage. However, for minimum tax purposes, show the amount of sales not done with or for members of the co-op in the header of the Schedule OR-AP, under the heading "Describe the nature and provide the location(s) of your Oregon business activities." Include the description "Sales not done with or for members of the co-op."

Note: Generally, co-ops filing federal Form 1120-C begin the Oregon return with line 25a from the federal return (not line 28). You are also allowed a subtraction for patronage dividends, which is taken on Schedule OR-ASC-CORP, code number 379 (ORS 317.010).

Broadcasters

For tax years beginning on or after January 1, 2020, taxpayers with broadcasting sales must use an audience/

subscriber factor, as demonstrated through the use of third-party ratings information or the taxpayer's books, papers, records, or memoranda, to source their broadcasting sales to Oregon. Taxpayers with broadcasting sales may elect to apply their audience/subscriber factor to all their gross receipts except sales of real property and tangible personal property. In certain circumstances, taxpayers may source receipts from advertising on or licensing to subscription services using a statutorily prescribed 0.6% apportionment factor. See ORS 314.674 for more information.

Exempt organizations

If you're an exempt organization under IRC §§501(c) through (f), 501(j), 501(n), 521, or 529, you're exempt from Oregon corporation taxes [ORS 317.080 (1)–(8)]. Apply to the IRS for exempt status, don't apply to us. Two exceptions are nonprofit homes for the elderly and people's utility districts established under ORS Chapter 261.

If you're exempt from Oregon tax and don't have unrelated business taxable income (UBTI) as defined in IRC §512, don't file an Oregon tax return. UBTI is gross unrelated business income less allowable deductions, including a special \$1,000 deduction.

If you have UBTI, file Form OR-20 and include a copy of your federal Form 990-T. Organizations exempt from federal tax, but not exempt from Oregon tax, must also file Form OR-20 and include a copy of federal Form 990-T.

An exempt organization filing Oregon Form OR-20 is subject to the greater of calculated excise tax based on UBTI apportioned or allocated to Oregon or Oregon minimum tax. For minimum tax purposes, include in "Oregon sales" only gross unrelated business income apportioned or allocated to Oregon. Tax-exempt gross income isn't included.

Note: Some religious organizations that qualify under IRC § 501(d) may file as partnerships.

Homeowners associations

A homeowners association organized and operated under IRC §528(c) may elect to be treated as a tax-exempt organization (ORS 317.080). The association must make the election no later than the time prescribed by law for filing the return. A copy of the federal Form 1120-H filed with the IRS will constitute this election when filed with us. Tax-exempt status will only exempt the association from tax on the exempt function income, such as membership dues, fees, and assessments from member-owners of residential units in the particular condominium or subdivision involved. Oregon follows the federal definition of nonexempt function income.

Don't file Form OR-20 if you don't have nonexempt function income for Oregon tax purposes. Only file a copy of your federal Form 1120-H with us.

File an Oregon Form OR-20, with a copy of federal Form 1120-H, if the association has taxable income. Homeowners association taxable income for Oregon is generally the same as for federal purposes. It's gross nonexempt income less directly-related deductions, less the specific \$100 deduction. However, net capital gains are included in the computation and receive no special treatment.

An association filing Oregon Form OR-20 is subject to the greater of calculated excise tax or Oregon minimum tax. For minimum tax purposes, include in "Oregon sales" only Oregon nonexempt function income.

Insurers

Insurers that have a separate return filing requirement under ORS 317.710(5) and (7) can't be included in an Oregon consolidated return. Instead, they generally determine Oregon corporate excise tax on a separate basis. The remaining affiliates in the Oregon consolidated return compute their modified federal consolidated taxable income after exclusion of the insurer with the separate return filing requirement. Also, the Oregon consolidated return receives a 100 percent dividends-received deduction if a dividend is paid by an insurer that has a separate return filing requirement. See Form OR-20-INS and instructions for more information about insurance company filing requirements.

Interest charge domestic international sales corporations (IC-DISCs) (ORS 317.283, 317.635)

If your corporation is an IC-DISC, file Form OR-20 and check the IC-DISC checkbox at the top of the form.

- An IC-DISC formed on or before January 1, 2014 is exempt from minimum tax. Complete your Form OR-20 using the instructions below.
- Commissions received by an IC-DISC formed on or before January 1, 2014 are taxed at 2.5 percent.
- An IC-DISC formed after January 1, 2014 isn't exempt from minimum tax. However, it's disregarded to the extent it has transactions with related parties. If you have transactions other than with related parties, complete your Form OR-20 as a normal corporation filer, and check the IC-DISC checkbox in the return header.

The Oregon IC-DISC return is due by the 15th day of the month following the due date of the federal return. For example, a calendar-year federal Form 1120-IC-DISC is due nine months after the year-end (September 15). The Oregon return for the IC-DISC is due October 15.

If the 15th falls on a Saturday, Sunday, or legal holiday, the due date is the next business day. No extensions are allowed for IC-DISC returns per federal and Oregon laws.

Form OR-20 line instructions for IC-DISCs (formed on or before January 1, 2014)

Important: Check the IC-DISC box at the top of the form.

Line 1. Taxable income from the U.S. Corporation Income Tax Return. Enter the “total commissions received” reported for federal income tax purposes [federal Form 1120-IC-DISC, Schedule B, column c, lines 1c, 2k, and 3g]. Carry this amount to:

- **Line 3**—Income after additions;
- **Line 5**—Income before net loss deductions; and
- **Line 9**—Oregon taxable income.

Line 10. Calculated excise tax. Multiply the amount from line 9 by 2.5 percent. Enter the result. Carry this amount to:

- **Line 14**—Tax;
- **Line 16**—Tax before credits;
- **Line 20**—Excise tax after credits; and
- **Line 22**—Net excise tax.

Limited liability companies (LLCs)

Oregon follows federal law in determining how an LLC is taxed. Federal law doesn’t recognize an LLC as a classification for federal tax purposes. An LLC business entity must file a corporation, partnership, or sole proprietorship tax return, depending on elections made by the LLC and the number of members.

A multi-member LLC can be either a partnership or a corporation, including an S corporation. A single member LLC (SMLLC) can be either a corporation or a single member “disregarded entity.” Refer to federal law for more information and requirements.

An LLC taxed as a C corporation must file Form OR-20 if doing business in Oregon, or Form OR-20-INC if not doing business in Oregon but receiving Oregon-source income. The LLC must file Form OR-20-S if the entity files federal Form 1120-S.

An LLC taxed as a partnership must file Form OR-65, *Oregon Partnership Return*, if doing business in Oregon, or if receiving Oregon-source income, or if it has any Oregon resident members. If the LLC has a corporate member, the member is taxed on its share of the LLC’s Oregon income.

If an LLC is part of a corporation’s overall business operations and is treated as a partnership, include the corporation’s ownership share of LLC property, payroll, and sales in the corporation’s apportionment percentage calculation on Schedule OR-AP (ORS 314.650 and supporting administrative rules).

Foreign LLCs are identified as unincorporated associations organized under the laws of a state other than Oregon, or a foreign country. Oregon’s definition of a foreign LLC includes an unincorporated association organized under the laws of a federally recognized American Indian tribe, no matter when organized.

Political organizations

Political organizations (for example, campaign committees and political parties) normally don’t pay state or federal taxes. However, income earned from investments is taxable. Examples include interest earned on deposits; dividends from contributed stock, rents, or royalties; and gains from the sale of contributed property. We follow the federal definitions of political organizations and taxable income.

A political organization that isn’t incorporated and hasn’t elected to be taxed as a corporation should file a personal income tax return under ORS 316.277(2).

For more information, including how to file your return, go to www.oregon.gov/dor/business.

Publicly traded partnerships

A “publicly traded partnership” is a partnership treated as a corporation for federal tax purposes under IRC §7704.

The partners in a publicly traded partnership aren’t subject to tax on their distributive shares of partnership income. A publicly traded partnership taxed as a corporation must file Form OR-20 if doing business in Oregon, or Form OR-20-INC if not doing business in Oregon but is receiving Oregon-source income.

Real Estate Investment Trusts (REITs) and Regulated Investment Companies (RICs)

A REIT or RIC that isn’t included in a federal consolidated return based on the provisions of IRC §1504(b)(4) must be included in the Oregon consolidated return. These REITs or RICs are subject to the provisions of ORS 317.715 and supporting administrative rules. For apportioning taxpayers, factors from the REIT or RIC are included in the apportionment calculation of the consolidated Oregon return.

A REIT or RIC that isn’t required to be included in an Oregon consolidated return is subject to tax under ORS chapter 317 or 318 and calculates their Oregon apportionment factors and Oregon net income in the same manner as a corporation with a separate filing requirement under ORS 317.710. REITs or RICs doing business in Oregon are subject to Oregon minimum tax.

Distributions from a REIT or RIC to its shareholders are treated the same as distributions from a corporation to its shareholders for purposes of ORS chapters 316, 317, and 318.

All REITs, including business trusts that qualify as REITs filing separate returns, are not allowed an Oregon net operating loss deduction (NOLD) from prior years. This applies to REITs included in the Oregon consolidated return and REITs that are filing separately [ORS 317.476(5)]. A REIT included in a consolidated return may use its current-year loss to offset income of other

consolidated return members in the current year. However, REIT NOL cannot be carried forward and deducted in subsequent years.

Real Estate Mortgage Investment Conduits (REMICs)

A REMIC isn't subject to Oregon tax; the income is taxable to the holders of the REMIC's interests under ORS Chapter 316, 317, or 318, whichever is applicable. A REMIC must file Form OR-20-INC if it receives prohibited transaction income from Oregon sources.

All REMICs required to file must include a complete copy of federal Form 1066. The REMIC must also include a federal Schedule Q for each residual interest holder for each quarter of the tax year. Report the amount of net income from prohibited transactions from federal Form 1066 Schedule J (ORS 314.260).

Filing checklist

Rounding to whole dollars. Enter amounts on the return and accompanying schedules as whole dollars only. Example: \$4,681.55 becomes \$4,682; and \$8,775.22 becomes \$8,775.

- **Due date of your return.** Returns are due by the 15th day of the month following the due date of your federal corporation return. When the 15th day falls on a Saturday, Sunday, or legal holiday, the due date is the next business day.
- **Extensions.** See the instructions below for the extension checkbox. When you file, include the extension as the final page of your return.
- **Payments.**
 - Payments received after the original due date will be applied first to penalty, then to interest, and then to tax [ORS 305.265(13)].
 - **Estimated payments and prepayments.** Identify all estimated payments claimed by completing Schedule ES on page 5 of your return. List all payments that were submitted prior to filing your return. Include the corporation name and FEIN if a payment was made by an affiliate of the filing corporation. Missing or incomplete information on payments made by an affiliate could result in a billing.
 - **Online payments.** You may pay online for any return at www.oregon.gov/dor. Search "payments."
 - **Making electronic payments with your e-filed return.** We accept electronic payments when e-filing your original return.
 - **Making check or money order payments with your paper return.** Make your check or money order payable to Oregon Department of Revenue. Write the following on your check or money order:
 - Filer FEIN.

— Tax year beginning and ending dates.

— Contact phone.

- To speed up processing of your return:

— **Don't** use Form OR-20-V payment voucher.

— Don't staple payment to the return.

— Don't send cash or postdated checks.

— Don't use red or purple or any gel ink.

- **Assembling your return.** Assemble your Oregon return forms in the following order:

1. Form OR-20, *Oregon Corporation Excise Tax Return*;
2. Schedule OR-AP, *Apportionment of Income for Corporations and Partnerships*;
3. Schedule OR-AF, *Schedule of Affiliates*;
4. Schedule OR-PI, *Schedule of Partnership Information*;
5. Schedule OR-ASC-CORP, *Oregon Adjustments*;
6. Form OR-37, *Underpayment of Oregon Corporation Estimated Tax*;
7. Form OR-DRD, *Dividends-Received Deduction*;
8. Form OR-24, *Like-Kind Exchanges/Involuntary Conversions*;
9. Schedule OR-FCG-20, *Farm Liquidation Long-Term Capital Gain Tax Adjustment*;
10. Other Oregon statements;
11. Oregon credit forms including notice of credit transfers;
12. Copy of federal tax return and schedules; and Form 7004, Federal extension.

Mailing Addresses

Tax-due returns, with or without payment, mail to:

Oregon Department of Revenue
PO Box 14790

Salem OR 97309-0470

(Do NOT include a payment voucher.)

Refunds or no tax-due returns, mail to:

Oregon Department of Revenue
PO Box 14777

Salem OR 97309-0960

Check or money order payments only, mail to:

Oregon Department of Revenue
PO Box 14950

Salem OR 97309-0950

(Include Form OR-20-V payment voucher.)

Form instructions

Heading and checkboxes

- **OR-FCG-20 checkbox.** A reduced tax rate is available if you sold or exchanged capital assets used in farming. Complete Schedule OR-FCG-20 and check the box in the header of the form.
- **Extension checkbox.** For an Oregon extension when you're also filing for a federal extension: Send a copy

of the federal extension with the Oregon return when you file. Check the extension checkbox on your Oregon return and include a copy of the extension after all other enclosures.

For an "Oregon only" extension: Answer question 1 on federal extension Form 7004, write "**For Oregon Only**" at the top of the form, and include it with your Oregon return when you file. Check the **extension** checkbox on the Oregon return.

The Oregon extension due date is the 15th day of the month following the federal extension's due date. Don't send the extension before you file your Oregon return.

More time to file doesn't mean more time to pay your tax. To avoid penalty and interest, pay your tax due online, or by mail with Form OR-20-V, by the original due date of your return. **Note:** Filing Form OR-20-V isn't an extension of time to file your tax return.

If you're making an extension payment by mail, send the payment to: Oregon Department of Revenue, PO Box 14950, Salem OR 97309-0950.

Include on your check:

- FEIN.
- "Extension."
- Tax year beginning and ending dates.
- Contact phone.

- **Form OR-37 checkbox.** If you have an underpayment of estimated tax, you must include a completed Form OR-37. Check the Form OR-37 box in the header of your return.

Use Form OR-37 to:

- Calculate the amount of underpayment of estimated tax;
- Compute the amount of interest you owe on the underpayment; or
- Show you meet an exception to the payment of interest.

- **REIT/RIC checkbox.** If you participated in a REIT or RIC, you must check the appropriate box in the header area of the Oregon tax return.
- **Amended checkbox.** Check the amended box if this is an amended return.
- **Form OR-24 checkbox.** Corporations may defer, for Oregon tax purposes, all gains realized in the exchange of like-kind property and involuntary conversions under IRC §1031 or §1033, even though the replacement property is outside Oregon. Oregon will tax the deferred gain when it's included in federal taxable income.

Include a copy of your Oregon Form OR-24, *Like-Kind Exchanges/Involuntary Conversions*, 150-800-734, with your Oregon return and check the Form OR-24 box if all of the following apply:

- The corporation reported deferred gain on a federal Form 8824;
- All or part of the property exchanged or given up was located in Oregon; and
- All or part of the acquired property was located outside of Oregon.

For a more detailed explanation, see ORS 314.650 and 314.665 and supporting administrative rules regarding apportionment of deferred gain.

- **IC-DISC checkbox.** Check this box if you are an IC-DISC regardless of what date you were formed. See "Special filing requirements" for more information.
- **Ag co-op checkbox.** Check this box if your corporation qualifies as an agricultural or horticultural cooperative and you're determining Oregon sales for minimum tax purposes differently than the Oregon sales reported on Schedule OR-AP, part 1. See "Special filing requirements" for more information.
- **Federal Form 8886 checkbox and reportable transactions.** If you're required to report listed or reportable transactions to the IRS on federal Form 8886, you must check this box. We'll assess penalties if you don't comply with this requirement.
- **Global intangible low-taxed income (GILTI) included on federal return.** If you included GILTI on your federal return, check this box.
- **Accounting period change checkbox.** Check this box only if both of the following apply:
 - The excise tax return covers a period of less than 12 months; **and**
 - The short-period return is due to a qualified change in accounting period per IRC §§441 to 444.

Note: A short-period return doesn't automatically constitute a qualified change in accounting period. A taxpayer that isn't in existence for the entire year shouldn't check this box. This includes subsidiaries that join or leave a consolidated filing group, and newly formed or dissolved corporations.

If you file a short-period return due to a qualified change in accounting period and you're subject to the minimum tax, your minimum tax shall be apportioned as follows:

Annualize Oregon sales by multiplying actual Oregon sales by 12 and dividing by the number of months in the short period. Use the minimum tax table in Appendix B to determine minimum tax on annualized Oregon sales.

Apportion the minimum tax determined above by multiplying by the total number of months in the short period and dividing it by 12.

- **Alternative apportionment checkbox.** See Appendix C for complete information. Check this box if you have included a request with your return.

Name. Generally, a consolidated Oregon return is filed in the name of the common parent corporation. If the parent corporation isn't doing business in Oregon, file the return in the name of the member of the group having the greatest presence in Oregon. "Having the greatest presence" means that the member has the largest Oregon property value as determined under ORS 314.655 (see Schedule OR-AP).

- **Legal name.** Enter the corporation's current legal name as set forth in the articles of incorporation or other legal document.
- **FEIN.** Enter the FEIN of the corporation named as the filer on the consolidated Oregon return.
- **DBA/ABN.** If the corporation is doing business under a different name, for example, DBA or ABN, enter that name.
- **Current address.** Always enter the corporation's current address. If the address for the year you're filing has changed, **don't** use the old address or our system will revert your current address to the old address.

Questions

Questions A–C. Complete only if this is your first return or the answer changed during the tax year.

Question D. Refer to the current list of North American Industry Classification System (NAICS) codes found with your federal tax return instructions. Only enter the code if this is your first return, the current code is different than you reported last year, or your code begins with "111" or "112".

Question E(1). Check this box if you filed a consolidated federal return. Include a list of the corporations included in the consolidated federal return.

Question E(2). Check this box if you filed a consolidated Oregon return. **Complete Schedule OR-AF, Schedule of Affiliates,** and list only the corporations included in the consolidated Oregon return that:

- Are doing business in Oregon; or
- Have income from Oregon sources.

Question E(3). Check this box if it applies. Include a list of corporations included in the consolidated federal return that aren't included in this Oregon return. List each corporation's name and FEIN. **Note:** Include a copy of your federal return and schedules as filed with the IRS.

Question F. If the filing corporation (shown above as legal name) is a subsidiary in an affiliated group, or a subsidiary in a parent-subsidiary controlled group, enter the name and FEIN of the parent corporation. For

definition of a subsidiary in an affiliated group or a parent-subsidiary controlled group, see federal Form 1120, *Schedule K*.

Question G. Enter the total number of corporations doing business in Oregon that are included in this return.

Question L. Utility or telecommunications companies. Taxpayers primarily engaged in utilities or telecommunications may elect to apportion income using a double-weighted sales factor formula (ORS 314.280 and supporting administrative rules). Check the box if making this election.

Question M. PL86-272 protected affiliate(s). Check this box only if you or an affiliate included in this return claim Oregon sales are protected from Oregon taxation because of Public Law 86-272.

Question N. Total Oregon sales.

- **Apportioned returns.** Enter the amount of Oregon sales from Schedule OR-AP, line 22(a) and OAR 150-317-0540.
- **Nonapportioned returns.** Enter the amount of sales as defined by ORS 314.665. Generally, C corporations doing business only within Oregon will calculate Oregon sales by adding:
 - Gross receipts from sales of inventory (less returns and allowances), equipment, and other assets;
 - Gross rent and lease payments received; and
 - Gross receipts from the performance of services.**Note:** (This is a non-exclusive list.)

Generally, for purposes of determining minimum tax, the calculation for Oregon sales includes gross business income amounts from federal Form 1120, lines 1c and 5 through 10. Include positive numbers only.

Line instructions

Line 1. Taxable income from U.S. corporation income tax return. Enter the taxable income reported for federal income tax purposes before net operating loss or special deductions (federal Form 1120, line 28).

Additions

Line 2. Total additions from Schedule OR-ASC-CORP, Section A. The amount by which any item of income is greater under Oregon law than under federal law, or the amount by which any allowable deduction is less under Oregon law than under federal law, is an addition on your Oregon return.

Use Schedule OR-ASC-CORP, Section A, to report the amount and description code of each difference. Use the description code from the list in Appendix A. The total of all additions are entered on Form OR-20, line 2.

Additions include:

- **Bad debt reserve addition of a financial institution to the extent that the federal amount exceeds the amount that's allowable for Oregon.** The bad debt method of financial institutions is tied to the federal method. For taxpayers required to use the specific write-off method, an addition must be made if the amortization of the federal reserve is less than the amortization of the Oregon reserve (ORS 317.310).
 - **Capital construction fund.** Amounts deferred under Section 607 of the Merchant Marine Act of 1936 and IRC §7518 must be added back to federal taxable income (ORS 317.319).
 - **Charitable donations not allowed for Oregon.** Donations to a charitable organization that has received a disqualifying order from the Attorney General aren't deductible as charitable donations for Oregon tax purposes. Such organizations are required to provide a disclosure to a donor to acknowledge this. The Attorney General will publish online and otherwise make publicly available information identifying the charitable organizations receiving a disqualification order. If you claimed a federal deduction, an addition must be made on your Oregon return for donations to such charitable organizations (ORS 317.491).
 - **Claim of right income repayment adjustment when credit's claimed.** The deduction under IRC §1341 on the federal return must be added back to federal taxable income on your Oregon return if the Oregon credit's claimed (ORS 317.388).
 - **CPAR addition.** If you're an owner of a partnership that was subject to a partnership-level audit by the IRS (or you're an owner of a tiered partner of such a partnership), you may have to increase or decrease your Oregon income as a result of the audit. Report an increase in income using addition code 187 or report a decrease in income using subtraction code 384, whichever is applicable. Use these codes even if another code is assigned for the specific type of increased or decreased income (ORS 314.733). Visit our website for more information.
 - **Deferred gain recognized from out-of-state disposition of property acquired in an IRC §1031 or §1033 exchange.** See ORS 317.327 regarding the computation of the addition if gain or loss is recognized for federal tax purposes but not taken into account in the computation of Oregon taxable income.
 - **Depletion (percentage in excess of cost).** Add the federal deduction that is in excess of the Oregon allowance for depletion (ORS 317.374).
 - **Depreciation differences.** If your Oregon depreciation isn't the same as your federal depreciation, the difference is a required modification to your Oregon return (ORS 317.301). Use Schedule OR-DEPR to determine the Oregon modification.
 - **Gain or loss on the disposition of depreciable property.** Add the difference in gain or loss on sale of business assets when your Oregon basis is less than your federal basis (ORS 317.356 and OAR 150-317-0420).
 - **Global intangible low-taxed income (GILTI)** under IRC Section 250. You must add back any GILTI amount not included in Line 1 of your Oregon return. Generally, the federal deduction is taken on line 29b of federal Form 1120 and doesn't impact the Oregon return. However, if any amount was omitted or deducted in determining federal income carried to line 1 of your Oregon return, it must be added back before a subtraction can be claimed. Report the Oregon addition (if any) on Schedule OR-ASC-CORP using code number 186 (ORS 317.267).
 - **Income from sources outside the United States.** Add income from sources outside the United States, as defined in IRC §862, not included in federal taxable income under IRC §§861 to 864 (ORS 317.625).
 - **Income of related FSC or DISC.** Net income or loss must be included in the net income of the related U.S. affiliate if the related FSC or DISC doesn't qualify for ORS 317.283(2) treatment. (ORS 317.283 and 317.286).
 - **Individual Development Account credit.** Donations deducted on the federal return must be added back to federal taxable income if the Oregon credit's claimed [ORS 315.271(2)].
 - **Intercompany transactions involving intangible assets.** The user of the intangible asset must add the royalty or other expense for such use to federal taxable income as an addition on the Oregon tax return if:
 - An intangible asset is owned by one corporation or business (the owner), and used by another (the user) for a royalty or other fee;
 - Both the owner and the user are "owned by the same interests," as defined in Treas. Reg. §1.469-4T(w);
 - The owner and the user aren't included in the same Oregon tax return; and
 - The separation of ownership of the intangible asset from the user of the intangible asset results in either: evasion of tax or a computation of Oregon taxable income that isn't clearly reflective of Oregon business income.
- If the owner also files an Oregon return, the owner of the intangible asset must report the corresponding royalty or other income as a negative addition on Schedule OR-ASC-CORP, Section A (ORS 314.295 and supporting administrative rules).
- **Interest income excluded from the federal return.** Oregon gross income includes interest on all state and municipal bonds excluded for federal tax purposes.

Reduce the addition by any interest incurred to carry the obligations and by any expenses incurred in producing this interest income (ORS 317.309).

- **Inventory costs.** The costs allocable to inventory are the same as those included in IRC §263A. Differences in depreciation and depletion allocable to inventory result in a modification [ORS 314.287(3)].
- **IRC §139A federal subsidies for prescription drug plans.** For federal purposes, taxpayers can exclude from taxable income certain federal subsidies for prescription drug plans per IRC §139A. However, for Oregon purposes, this federally excluded income is an addition on the Oregon return (ORS 317.401).
- **IRC §631(a) treatment of timber isn't recognized by Oregon.** Both beginning and ending inventories must be adjusted for IRC §631(a) gain. For Oregon purposes, there's no taxable event until actual sale (ORS 317.362).
- **Losses of nonunitary corporations.** Net losses of non-unitary corporations included in a consolidated federal return must be eliminated from the Oregon return. Net losses include the separate loss as determined under Treasury Regulations adopted for IRC §1502, and deductions, additions, or items of income, expense, gain, or loss for which the consolidated treatment is prescribed. Include a schedule showing your computation of the total net loss eliminated [ORS 317.715(2)].
- **Losses of unitary insurance affiliates.** If a unitary insurance affiliate has a separate return filing requirement, they're excluded from the consolidated Oregon return. The insurance affiliate is treated as if it's a non-unitary affiliate of its consolidated group and the loss (if any) is an addition (ORS 317.715).
- **Net federal capital loss deduction.** If the Oregon and federal capital loss deductions are different, add the federal capital loss back to federal taxable income. The Oregon capital loss will be deducted after subtractions (and apportionment for corporations required to apportion income) to arrive at Oregon taxable income (ORS 317.013 and supporting administrative rules).
- **Opportunity Grant Fund (auction).** Any federal deduction for contributions for which an Opportunity Grant Fund tax credit certification is made must be added to federal taxable income ORS 315.643).
- **Oregon excise tax and other state or foreign taxes on or measured by net income.** Oregon excise tax may not be deducted on the Oregon return. Taxes of other states or foreign governments on or measured by net income or profits may not be deducted on the Oregon return. If you subtracted these taxes on your federal return, you must add them back on your Oregon return. However, the Oregon minimum tax and local taxes, such as the Multnomah County Business Income tax, are deductible, and aren't required to be added back (ORS 317.314).

- **Oregon production investment fund.** Add back the amount of contribution for which a tax credit certification is made that's allowed as a deduction for federal tax purposes (ORS 315.514).
- **REITs and RICs.** A REIT or RIC meeting the federal affiliate definition must be included in the consolidated Oregon return. This is an Oregon modification (addition or subtraction) to federal taxable income. For apportioning taxpayers, factors from the REIT or RIC are included in the apportionment calculation of the consolidated Oregon return (ORS 317.010 and supporting administrative rules).
- **Research and development for semiconductor companies.** If you claimed this credit on your Oregon return, a deduction may not be taken for the portion of expenses or payments, otherwise allowable as a deduction, that is equal to the amount of the credit claimed. Add back the amount of the credit you claimed as an addition on Schedule OR-ASC-CORP using code number 188 [ORS 315.518(8)].
- **Safe harbor lease agreements.** Oregon doesn't tie to the federal safe harbor lease provisions. See ORS 317.349 and supporting administrative rules for details about the adjustments required for Oregon.
- **University venture development fund contributions.** Add to federal taxable income the amount of contributions used to calculate the University Venture Fund Contribution credit that were deducted from federal taxable income (ORS 315.640).
- **Unused business credits.** Unused business credits taken as a federal deduction under IRC §196 must be added back to federal taxable income (ORS 317.304).

Line 3. Income after additions (line 1 minus line 2).

Subtractions

Line 4. Total subtractions from Schedule OR-ASC-CORP, Section B. The amount by which an item of income is less under Oregon law than federal law, or the amount by which an allowable deduction is greater under Oregon law than federal law, is a subtraction on your Oregon return.

Use Schedule OR-ASC-CORP, Section B, to report the amount and description code of each difference. Use the description code from the list in Appendix A. The total of all subtractions are entered on Form OR-20, line 4.

Subtractions include:

- **Bad debt reserve addition of a financial institution to the extent that the Oregon amount exceeds the amount that's allowed on the federal return.** A subtraction is also made if the amortization of the federal reserve is greater than the amortization of the Oregon reserve (ORS 317.310).

- **Charitable contribution.** Subtract the amount by which a corporation must reduce its charitable contribution deduction under IRC §170(d)(2)(B) (ORS 317.307 and OAR 150-317-0350).
- **CPAR subtraction.** If you're an owner of a partnership that was subject to a partnership-level audit by the IRS (or you're an owner of a tiered partner of such a partnership), you may have to increase or decrease your Oregon income as a result of the audit. Report an increase in income using addition code 187 or report a decrease in income using subtraction code 384, whichever is applicable. Use these codes even if another code is assigned for the specific type of increased or decreased income (ORS 314.733). Visit our website for more information.
- **Deferred gain recognized from out-of-state disposition of property acquired in an IRC §1031 or §1033 exchange.** See ORS 317.327 regarding the computation of the subtraction if gain or loss is recognized for federal tax purposes but not taken into account in the computation of Oregon taxable income.
- **Depletion.** Subtract the Oregon allowance for depletion that is in excess of the federal deduction for depletion (ORS 317.374).
- **Depreciation differences.** If your Oregon depreciation isn't the same as your federal depreciation, the difference is a required modification to your Oregon return (ORS 317.301). Use Schedule OR-DEPR to determine the Oregon modification.
- **Dividend deduction.** A 70 percent deduction is allowed for qualifying dividends regardless of geographic source. An 80 percent deduction is allowed for dividends received from corporations whose stock is owned 20 percent or more. Use Oregon Form OR-DRD for computing the Oregon dividend deduction and include it with your return (ORS 317.267).
- **Energy conservation payments.** Any amount received as a cash payment for energy conservation measures is exempt from Oregon excise tax (ORS 469.631 to 469.687). Subtract any amount that's included in federal taxable income (ORS 317.386).
- **Federal credits.** Subtract the amount of expense not deducted on the federal return attributable to claiming a federal credit (ORS 317.303).
- **Federal investment tax credit on certain assets.** If you take a federal tax credit on certain assets, and your federal basis is less than your Oregon basis, you must recalculate the gain or loss on disposal of those assets and subtract the difference (ORS 317.356).
- **Film production labor rebate.** Subtract the amount received as a labor rebate that's included in federal taxable income (ORS 317.394).
- **Foreign derived intangible income (FDII)** under IRC Section 250. Oregon is connected with the FDII deduction on your federal return. Generally, the federal deduction amount is reported on federal Form 8993, Part IV, line 8. Report your Oregon subtraction on Schedule OR-ASC-CORP using **code number 382**. **Don't** use Form OR-DRD for this subtraction [SB 851 (2019)].
- **Gain or loss on the sale of depreciable property.** The difference in gain or loss on the sale of business assets when your Oregon basis is greater than your federal basis (ORS 317.356).
- **Global intangible low-taxed income (GILTI)** under IRC Section 250. Oregon allows an 80 percent subtraction of GILTI amounts under IRC Section 951A that are included in your Oregon income. Report the Oregon subtraction on Schedule OR-ASC-CORP **using code number 381**. **Don't** use Form OR-DRD for this subtraction (ORS 317.267).
- **IC-DISC commission payments.** For tax years beginning on or after January 1, 2013, a deduction is allowed for commission payments made to an IC-DISC if the IC-DISC was formed on or before January 1, 2014 (ORS 317.283 and 317.635).
- **Income of nonunitary corporations.** Net income of nonunitary corporations included in a consolidated federal return must be eliminated from the Oregon return. Net income includes the separate taxable income, as determined under Treasury Regulations adopted for IRC §1502, and any deductions, additions, or items of income, expense, gain, or loss for which consolidated treatment is prescribed. Include a schedule showing computation of the total net income eliminated [ORS 317.715(2)].
- **Income of unitary insurance affiliates.** If a unitary insurance affiliate has a separate return filing requirement, they're excluded from the consolidated Oregon return. The insurance affiliate is treated as if it's a nonunitary affiliate of its consolidated group and any income is a subtraction (ORS 317.715).
- **Income on a composite return.** A corporate owner of a pass-through entity (PTE) may subtract its share of distributive income that has already been reported on an Oregon composite return. See Publication OR-OC and OAR 150-314-0515 for more information.
- **Inventory costs.** The costs allocable to inventory are the same as those included in IRC §263A. Differences in depreciation and depletion allocable to inventory result in a modification [ORS 314.287(3)].
- **IRC Section 245A foreign-source portion dividends.** Oregon allows a 100 percent subtraction of the foreign-source portion of dividends from certain foreign corporations under IRC Section 245A. The subtraction is allowed only if the amount is included in federal taxable income reported on line 1 of your Oregon return.

Generally, the federal deduction amount is reported on federal Form 1120, Schedule C, line 13. Report your Oregon subtraction on Schedule OR-ASC-CORP using **code number 383**. Don't use Form OR-DRD for this subtraction (ORS 317.267).

- **Losses from outside the United States.** Subtract losses from sources outside the United States, as defined in IRC §862, not included in federal taxable income under IRC §§861 to 864 (ORS 317.625).
- **Manufactured dwelling park tenant payments** made under ORS 90.505 to 90.840 to compensate a tenant for costs incurred due to the closure of the park may be subtracted (ORS 317.092).
- **Marijuana business expenses.** ORS 317.363 allows Oregon taxpayers filing a corporate excise or income tax return to deduct business expenses otherwise barred by IRC §280E if the taxpayer is engaged in marijuana-related activities authorized by ORS 475C.005 to 475C.525, or ORS 475C.700 to 475C.919.
- **Oregon Investment Advantage.** To qualify, facilities must be certified by the Oregon Business Development Department (dba Business Oregon). For more information about the program or to get an application, visit www.oregon.gov/biz. **This applies to excise tax filers only.**

How is the subtraction computed? Multiply the Oregon taxable income figure (Form OR-20, line 9) as computed without applying this subtraction by the sum of:

- 50 percent of the ratio of the payroll from the certified facility over the corporation's total payroll within Oregon; and
- 50 percent of the ratio of the average value of property from the certified facility over the corporation's total average value of property within Oregon.

Corporations that do business both inside and outside of Oregon and complete Schedule OR-AP must claim the subtraction on Schedule OR-AP, part 2, line 10b. Corporations with activity only in Oregon (that don't apportion income and don't use Schedule OR-AP) claim the subtraction on Schedule OR-ASC-CORP using subtraction code 342. (ORS 317.391).

Note: There is no subtraction code associated with Schedule OR-AP for apportioning taxpayers. Subtraction code 342 is only used on Schedule OR-ASC-CORP for taxpayers who do not apportion income.

- **Patronage dividends (cooperatives only).** Cooperatives filing federal Form 1120-C may subtract patronage dividends that are included in Oregon taxable income (ORS 317.010).
- **Psilocybin business expenses.** ORS 317.363 allows Oregon corporation excise and income tax filers to subtract certain business expenses otherwise barred by IRC §280E if the corporation is engaged

in psilocybin-related activities authorized by ORS 475A.210 to 475A.722, the Oregon Psilocybin Services Act. Use subtraction code 385 on Schedule OR-ASC-CORP.

- **REITs and RICs.** A REIT or RIC meeting the federal affiliate definition must be included in the consolidated Oregon return. This is an Oregon modification (addition or subtraction) to federal taxable income. For apportioning taxpayers, factors from the REIT or RIC are included in the apportionment calculation of the consolidated Oregon return (ORS 317.010 and supporting administrative rules).
- **Sale of manufactured dwelling park.** The net gain attributable to the sale of a manufactured dwelling park to a tenant's association, facility purchase association, or tenant's association supported nonprofit organization is exempt from tax (see note following ORS 317.401).
- **Taxes paid to a foreign country.** You may subtract from federal taxable income the taxes paid to a foreign country upon the payment of interest or royalties arising from sources within such foreign country, if such taxes are not deductible in arriving at federal taxable income and if the interest or royalties are included in arriving at Oregon taxable income [ORS 317.314.(3)].
- **Work opportunity credit wages not deducted on the federal return.** Subtract the amount of wages that weren't deducted on the federal return because the work opportunity credit was claimed (ORS 317.303).

Line 5. Income before net loss deduction (line 3 minus line 4).

Line 6. Net loss deduction.

- Enter the deduction on line 6 if taxable only by Oregon. Enter as a positive number.
- Enter the deduction on Schedule OR-AP, part 2, line 10a if taxable both in Oregon and another state.
- Include a schedule showing your computations.
- A net loss is the amount determined under IRC Chapter 1, Subtitle A, with the modifications specifically prescribed under Oregon law.
- The Oregon deduction is the sum of unused net losses assigned to Oregon for preceding taxable years.
- A net operating loss carryforward is required to be reduced by the entire Oregon net income of intervening tax years [ORS 317.476(4)(b)].
- Net losses can be carried forward up to 15 years.
- Oregon doesn't allow net losses to be carried back unless a corporation is engaged in crop production, animal production, or aquaculture. See ORS 317.346 for more information.
- For losses, and built-in losses occurring before a change in ownership [separate return loss year (SRLY)

limitations], Oregon is tied to the federal limitations (IRC §382 and §384; ORS 317.476 and 317.478).

- The total net loss deduction on a consolidated Oregon return is the sum of the net losses available to each of the corporations subject to the limitations in ORS 317.476 and supporting administrative rules.
- REITs, if qualified under IRC §856, aren't allowed a net loss deduction [ORS 317.476(5)].
- If a REIT is included in Oregon consolidated return, the REIT current-year NOL is combined with non-REIT entities' current-year income.

Line 7. Net capital loss deduction.

- Enter the deduction on line 7 if taxable only by Oregon. Enter as a positive number.
- Enter the deduction on Schedule OR-AP, part 2, line 10b if taxable both in Oregon and another state.
- Include a schedule showing your computations, including the tax year the net capital loss originated (ORS 317.013 and supporting administrative rules).
- Oregon allows a net capital loss deduction for losses apportioned to Oregon and carried from another year.
- The deductible loss is limited to net capital gain included in Oregon income. Capital losses must be carried back three tax years and then may be carried forward for up to five tax years.

Line 8. Apportionment percentage. Enter the apportionment percentage from Schedule OR-AP, part 1, line 23. If you have income only in Oregon and don't apportion, enter 100.0000.

Line 9. Oregon taxable income (line 5 minus lines 6 and 7, or Schedule OR-AP, part 2, line 12).

Tax

Line 10. Calculated excise tax. Don't enter the minimum tax on this line. See Appendix B for computation.

Line 11. Schedule OR-FCG-20 adjustment. A reduced tax rate is available if you sold or exchanged capital assets used in farming. Subtract the amount of adjustment for tax on net long-term capital gain from farm property from line 9 of Schedule OR-FCG-20 (ORS 317.063).

Line 12. Total calculated excise tax (line 10 minus line 11).

Line 13. Minimum tax. The minimum tax for C corporations and insurance companies doing business in Oregon is based on Oregon sales. Use the table in **Appendix B**.

- Consolidated returns: the minimum tax is based on Oregon sales of the affiliated group of corporations filing an Oregon return. One minimum tax applies to the affiliated group filing the consolidated return, not to each individual affiliate included in the consolidated return doing business in Oregon.
- The minimum tax isn't apportionable for a short tax year (except a change of accounting period).

Nonapportioned returns—C corporations doing business only within Oregon will calculate Oregon sales by adding:

- Gross receipts from sales of inventory (less returns and allowances), equipment, and other assets;
- Gross rent and lease payments received;
- Gross receipts from the performance of services; and
- Gross receipts from the sale, exchange, redemption, or holding of intangible assets developed by or used in the business operations.

Note: (This is a non-exclusive list.)

Generally, for purposes of determining minimum tax, Oregon sales includes gross business income amounts from federal Form 1120, lines 1c, and 5 through 10. Include positive numbers only.

Apportioned returns—C corporations and insurance companies doing business in more than one state that apportion business income for Oregon tax purposes, use the Oregon sales amount from line 22(a) on Schedule OR-AP, part 1.

Note: Some entity structures have specific minimum tax and filing instructions. See "Special filing requirements." These include:

- Agricultural and horticultural cooperatives.
- Exempt organizations.
- Homeowners associations.
- Insurers.
- IC-DISCs.
- LLCs.
- Political organizations.
- Publicly traded partnerships.
- REITs and RICs.
- REMICs.

Corporations and partnerships with Oregon source income who aren't doing business in Oregon aren't subject to the minimum tax. See "What form do I use?"

Line 14. Tax (greater of line 12 or line 13). Oregon tax is the greater of total calculated tax or minimum tax.

Line 15. Tax adjustments.

Installment sales interest. If you owe interest on deferred tax liabilities with respect to installment obligations under ORS 314.302, enter the amount of interest as a positive number. Include a schedule showing how you figured the interest.

Line 16. Tax before credits (line 14 plus line 15).

Credits

For a list and description of Oregon corporation credits, visit www.oregon.gov/dor.

Note: Minimum tax can't be "reduced, paid, or otherwise satisfied through the use of any tax credit" (ORS 317.090).

Important:

- All credits are claimed on Schedule OR-ASC-CORP.
- Use the description code from the list in Appendix A.
- List credits and codes on the OR-ASC-CORP in the order you want them used.
- Generally, taxpayers must claim the full amount of a credit allowed per year (ORS 314.078).
- Credits can't be used to offset minimum tax, unless specified in statute.

Line 17. Total standard credits from Schedule OR-ASC-CORP, Section C. Enter as a positive number.

Line 18. Tax after standard credit (line 16 minus line 17). Don't enter less than minimum tax.

Line 19. Total carryforward credits from Schedule OR-ASC-CORP, Section D. Enter as a positive number.

Line 20. Excise tax after standard and carryforward credits (line 18 minus 19). This can't be less than minimum tax on line 15.

Line 21. LIFO benefit recapture subtraction. This amount is a subtraction from tax after credits. Oregon has adopted the provisions of IRC §1363(d) for S corporations. LIFO benefits are included in taxable income for the last year of the C corporation under these provisions. On a separate schedule, compute the difference between tax (after credits and any surplus refund) on income per the return and income without the recapture of LIFO benefits. Multiply this difference by 75 percent and enter the result on Form OR-20, line 21 as a subtraction from the tax after standard and carryforward credits. Include the computation schedule with the Oregon return.

On the LIFO benefits line of each of the first three returns of the new S corporation, add one-third of the tax that was deferred from the last year of the C corporation. The tax on LIFO benefit recapture will be in addition to the Oregon minimum tax, if any (ORS 314.771).

Net excise tax

Line 22. Net excise tax (line 20 minus line 21). Don't enter less than minimum tax.

Payments, penalty, interest, and UND

Line 23. Estimated tax payments, other prepayments, and refundable credits (from Schedule ES).

- Fill in the total estimated tax payments made before filing your Oregon return.
- List name and FEIN of the payer only if different from the corporation filing this return.

Note: Consolidated return filers. If estimated payments were made under a different name, fill in the paying corporation's name and FEIN on Schedule ES for the correct application of estimated payments.

Note: Missing or incomplete information on payment made by an affiliate could result in a billing.

- Include any refunds applied from other years on line 5.
- Enter payments made with your extension or other prepayments on line 6.
- Fill in on line 7 the refundable credits from Schedule OR-ASC-CORP, Section E.
- Carry the total from line 8 to Form OR-20, line 23.

Line 24. Withholding payments made on your behalf from pass-through entity or real estate income. If taxes were paid on the corporation's behalf, enter the amount on this line.

There's a requirement to withhold tax from the proceeds of sales of Oregon real property by nonresidents. This applies to individual nonresidents as well as C corporations that aren't doing business in Oregon. The amount to be withheld is the lesser of:

- 4 percent of the consideration (sales price);
- 4 percent of the net proceeds (amount dispersed to the seller); or
- 8 percent of the gain that's includible in Oregon taxable income for the year.

Withholding isn't required if one of the following requirements is met:

- The consideration for the real property doesn't exceed \$100,000;
- The property is acquired through foreclosure;
- The transferor (owner) is a resident of Oregon or, if a C corporation, has a permanent place of business in this state; or
- The transferor meets one of the requirements in ORS 314.258(3)(d) through (f).

See instructions for Oregon Form OR-18-WC, *Report of Tax Payment or Written Affirmation for Oregon Real Property Conveyance*, for more information (ORS 314.258 and supporting administrative rules).

Pass-through entity withholding requirement. A pass-through entity (partnership, S corporation, LLP, LLC, or certain trusts) with distributive income from Oregon sources must withhold tax from its nonresident owners.

The requirement is waived if the nonresident owner makes an election to join in the filing of a composite return, sends us a signed Form OR-19-AF, *Oregon Affidavit for a Nonresident Owner of a Pass-through Entity*, or meets another exception listed in ORS 314.775 and supporting administrative rules. For more information, see instructions for Oregon Form OR-19, *Annual Report of Nonresident Owner Tax Payments*.

Line 25. Tax due. Is line 22 more than line 23 plus line 24? If so, line 22 minus lines 23 and 24.

Line 26. Overpayment. Is line 22 less than line 23 plus line 24? If so, line 23 plus line 24, minus line 22.

Line 27. Penalty due with this return. To avoid penalty and interest, you must make any tax payment owed by

the **original** due date of the tax return, excluding extensions. You must also e-file or mail your tax return by the original due date, or by the extended due date if you file with a valid extension included.

Enter the following penalties on your return if applicable.

- **5 percent failure-to-pay penalty.** Include a penalty payment of 5 percent of your unpaid tax if you don't pay by the original due date, even if you have an extension of time to file.

Exception: You won't be charged the 5 percent failure-to-pay penalty if you meet all of the following requirements:

- You have a valid federal or Oregon extension, and
- You pay at least 90 percent of your tax after credits by the original due date of the return, and
- You file your return within the extension period, and
- You pay the balance of tax due when you file your return, and
- You pay the interest on the balance of tax due when you file your return or within 30 days of the date of the bill you receive from us.

If you filed with a valid extension but didn't pay 90 percent of your tax by the original due date, you'll be charged the 5 percent failure-to-pay penalty.

- **20 percent failure-to-file penalty.** Include a penalty payment of 20 percent of your unpaid tax if you don't file your return within three months after the original filing due date (including extensions). The failure-to-file penalty is in addition to the 5 percent failure-to-pay penalty.
- **100 percent late pay and late filing penalty.** Include a penalty payment of 100 percent of your unpaid tax if you don't file returns for three consecutive years by the original filing due date (including extensions) of the third year. A 100 percent penalty is assessed on each year's tax balance.

Line 28. Interest due with this return. You must pay interest on unpaid taxes if:

- You don't pay the tax balance by the original filing due date, excluding extensions;
- You file an amended return and have tax to pay; or
- Your taxable income is changed because of a federal or state audit and you owe more tax.

Interest owed on tax starts the day after the due date of your original return, excluding extensions, and ends on the date of your payment. Interest is computed daily.

To calculate interest:

$$\text{Tax} \times \text{daily interest rate} \times \text{number of days.}$$

Interest rates and effective dates:

For interest periods beginning	Annually	Daily
January 1, 2026	8%	0.0219%
January 1, 2025	9%	0.0247%
January 1, 2024	8%	0.0219%

Interest accrues on any unpaid tax during an extension of time to file.

Interest will increase by one-third of 1 percent per month (4 percent yearly) on delinquencies if:

- You file a return showing tax due, or we assessed an existing deficiency; and
- The assessment isn't paid within 60 days after the notice of assessment is issued; and
- You haven't filed a timely appeal with us.

Line 29. Interest on underpayment of estimated tax (UND). You must make quarterly estimated tax payments if you expect to owe \$500 or more in tax. This includes Oregon minimum tax. Oregon charges UND if:

- The quarterly payment is less than the amount due for that quarter; or
- We receive the quarterly payment after that quarter's due date; or
- No quarterly payments are made during the year and the final tax debt is \$500 or more.

Use Form OR-37 to:

- Calculate the amount of underpayment of estimated tax;
- Compute the interest you owe on the underpayment; or
- Show you meet an exception to the payment of interest.

If you have an underpayment of estimated tax, include Form OR-37 with your tax return, check the box on page 1 of Form OR-20, and file them before the due date of the return.

If your current year corporation tax liability, including the minimum tax, is less than \$500, you don't need to make estimated payments. Don't complete this form. However, this provision doesn't apply to a high-income taxpayer. A "**high-income taxpayer**" is one that had federal taxable income before net operating loss and capital loss carryovers and carrybacks of \$1 million or more in any one of the last three years, not including the current year.

Line 30. Total penalty and interest (add lines 27 through 29).

Total due or refund

Line 31. Total due (line 25 plus line 30). See "Filing checklist" for payment options. **Don't** include a Form OR-20-V, payment voucher, with your payment if you're including a payment with your return.

Note: Any payments received after the original due date will be applied first to penalty, then to interest, and then to tax [ORS 305.265(13)].

Special instructions. If you owe penalty or interest and have an overpayment on line 26, and your overpayment is less than total penalty and interest, then fill in the result of line 30 minus line 26, on line 31.

Line 32. Refund available (line 26 minus line 30).

Line 33. Amount of refund to be credited to estimated tax. You may elect to apply part or all of your refund

to your next year's estimated tax payments. Fill in the amount you want to apply. **Your election is irrevocable.**

Elected amounts that are attributable to estimated tax payments received prior to the following year's first quarter estimated tax due date, will be applied as a timely first quarter installment of the following year. Elected amounts attributable to payments received after the following year's first quarter estimated tax due date, will be applied to the following year's estimated tax account as of the date the payment is received. See ORS 314.515 and OAR 150-314-0302.

Line 34. Net refund (line 32 minus line 33).

Authorize your preparer. To authorize a preparer other than taxpayer to discuss this return with us, check the box located above the signature line for "Preparer signature other than taxpayer." To authorize a person other than the preparer, include a signed Form OR-AUTH-INFO, *Authorization to Receive Tax Information*, 150-101-100.

Do you have questions or need help?

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

Contact us for ADA accommodations or assistance in other languages.

Appendix A

Corporation Form OR-20

2025 Schedule OR-ASC-CORP codes

Additions

Description	Code	Description	Code
Bad debt reserve federal exceeding Oregon.....	156	Inventory costs	161
Capital construction fund	152	IRC §139A federal subsidies for prescription drugs ...	123
Charitable donations not allowed for Oregon.....	132	IRC §631(a) treatment of timber not recognized by Oregon.....	162
Claim of right income repayment.....	173	Losses of nonunitary corporations	164
CPAR addition.....	187	Losses of unitary insurance affiliates	183
Deferred gain from out-of-state disposition of property	118	Net federal capital loss deduction	165
Depletion (percentage in excess of cost)	166	Opportunity Grant Fund (auction).....	185
Depreciation differences.....	174	Oregon excise tax and other tax.....	151
Gain or loss on disposition of depreciable property...	158	Oregon production investment fund	157
Global intangible low-taxed income (GILTI)	186	REITs and RICs	168
Income from sources outside U.S.	159	Research and development for semiconductor companies	188
Income of related FSC or DISC	178	Safe harbor lease agreements	169
Individual Development Account credit.....	113	Uncategorized addition (must include explanation)...	199
Intercompany transactions involving intangible assets.....	160	University venture development fund contributions	171
Interest income excluded from the federal return (state, municipal, and other interest income).....	150	Unused business credits.....	122

Subtractions

Description	Code	Description	Code
Bad debt reserve Oregon exceeding federal.....	359	Income of unitary insurance affiliates	376
Charitable contribution	351	Income on a composite return.....	341
CPAR subtraction.....	384	Inventory costs	357
Deferred gain from out-of-state disposition of property	352	IRC Section 245A foreign-source portion dividends...	383
Depletion (Oregon in excess of federal allowance)....	362	Losses from outside U.S.	358
Depreciation differences.....	353	Manufactured dwelling park tenant payments.....	344
Dividend deduction.....	370	Marijuana business expenses	375
Energy conservation payments.....	368	Oregon Investment Advantage.....	342
Federal credits	354	Patronage dividends (cooperatives only).....	379
Federal investment tax credit on certain assets	355	Psilocybin business expenses	385
Film production labor rebate.....	336	REITs and RICs	360
Foreign derived intangible income (FDII)	382	Sale of manufactured dwelling park	338
Gain or loss on sale of depreciable property	356	Taxes paid to a foreign country	378
Global intangible low-taxed income (GILTI)	381	Uncategorized subtraction (must include explanation).....	399
IC-DISC commission payments (DISC formed before 01/02/2014).....	366	Work opportunity credit wages not deducted on the federal return.....	372
Income of nonunitary corporations.....	371		

Standard credits

Description	Code
Oregon Cultural Trust contribution (ORS 315.675).....	807
Reservation enterprise zone (ORS 315.506).....	810
Uncategorized credit (must include explanation).....	899

Carryforward credits

Description	Code	Description	Code
Agricultural workforce housing (ORS 315.164).....	835	Oregon affordable housing lender's credit (ORS 317.097).....	854
Bovine manure (carryforward only)(ORS 315.176).....	869	Oregon Low-Income Community Jobs Initiative (carryforward only) (ORS 315.533)	855
Business energy (carryforward only) (ORS 315.354)	839	Oregon production investment fund (auction) (ORS 315.514)	856
Child Care Fund contributions (carryforward only) (ORS 315.213)	841	Publicly supported housing sale (ORS 315.283)	875
Crop donation (ORS 315.156)	843	Renewable energy resource equipment manufacturing facility (carryforward only) (ORS 315.341)	860
Employer-provided dependent care assistance (carryforward only) (ORS 315.204)	846	Research and development for semiconductor companies (non-refundable) (ORS 315.518 to 315.522)	874
Employer scholarship (ORS 315.237)	847	Rural technology workforce development (carryforward only) (ORS 315.523)	868
Energy conservation projects (carryforward only) (ORS 315.331)	849	Short line railroad rehabilitation (ORS 315.593)	872
Fish screening devices (ORS 315.138).....	850	Transportation projects (carryforward only) (ORS 315.336)	863
Forest Conservation Tax Credit (FCTC) (ORS 315.124)	873	Uncategorized carryforward credit (must include explanation).....	999
Individual Development Account (IDA) donation (ORS 315.271)	852	University venture fund (ORS 315.640)	864
Lender's credit: energy conservation (carryforward only) (ORS 317.112)	848	Weatherization lender's credit (carryforward only) (ORS 317.111).....	866
Long-term enterprise zone facilities (carryforward only) (ORS 317.124)	853		
Opportunity Grant Fund (auction) (carryforward only) (ORS 315.643)	871		

Refundable credits

Description	Code	Description	Code
Agricultural Employer Overtime Tax Credit (ORS 315.133)	901	Research and development for semiconductor companies (refundable) (ORS 315.518 to 315.522)	908
Claim of right (ORS 315.068)	890		

Appendix B

Oregon Corporation Form OR-20

2025 Tax rates and minimum tax table

Note: Corporation **excise** tax filers pay the greater of calculated tax or minimum tax.
See "Special filing requirements" for entity types with alternate tax requirements.

Calculated tax (ORS 317.061)

If Oregon taxable income is:

- \$1 million or less, multiply Oregon taxable income by 6.6 percent (not below zero).
- More than \$1 million, multiply the amount that's more than \$1 million by 7.6 percent, and add \$66,000.

Minimum tax (ORS 317.090)

Minimum tax table—C corporations only

<i>Oregon sales of filing group</i>	<i>Minimum tax</i>
under \$500,000	\$150
\$500,000 to \$999,999	500
\$1,000,000 to \$1,999,999	1,000
\$2,000,000 to \$2,999,999	1,500
\$3,000,000 to \$4,999,999	2,000
\$5,000,000 to \$6,999,999	4,000
\$7,000,000 to \$9,999,999	7,500
\$10,000,000 to \$24,999,999	15,000
\$25,000,000 to \$49,999,999	30,000
\$50,000,000 to \$74,999,999	50,000
\$75,000,000 to \$99,999,999	75,000
\$100,000,000 and above	100,000

Appendix C

Oregon Corporation Form OR-20

Alternative apportionment

Please read carefully. This information is not the same for all tax programs.

Oregon law allows taxpayers to request an alternative method of apportionment using the instructions below. Uniform Division of Income for Tax Purposes Act (UDITPA) taxpayers filing under ORS 314.605 to ORS 314.675, as well as insurers, and taxpayers filing under ORS 314.280, must use this procedure to apply for alternative apportionment.

Administration

We will review the alternative apportionment request and issue a decision letter.

If your alternative apportionment petition is denied, you may appeal the denial of your petition to Oregon Tax Court as provided in ORS 305.275.

If your alternative apportionment petition is approved, you may amend your returns within the normal statute of limitations. The approval of your petition will remain in effect unless and until we revoke it during audit or you file a new petition and receive our approval of the new proposal.

Allow at least 6 months for us to make a determination. Also, note that all petitions for alternative apportionment may result in additional review and documentation requests.

Instructions

- Your written petition for alternative apportionment can be submitted with your original or amended return (Method 1) or separate from your original or amended return (Method 2).
- For administrative purposes, we prefer Method 2.

Method 1 —Alternative apportionment petition submitted with your original or amended return

- Check the alternative apportionment checkbox on the front of the return and include a written petition for alternative apportionment with your original or amended return. Failure to do so could result in your request being overlooked. This box is to denote requests only and isn't to be used after a request is approved.
- You **must** include a written petition for alternative apportionment with your original or amended return if you check the alternative apportionment checkbox.
- **Do not** complete the original or amended return using an alternative method of apportionment unless/until that alternative method of apportionment has been approved.
- Include your petition with your return.

Note: Taxpayers filing amended returns for 2015 or prior must use the form year corresponding to the tax year even though there's no alternative apportionment checkbox on the return. Clearly identify that you're requesting alternative apportionment by writing the words "Alternative apportionment request" at the top and adhere to all other requirements. Determinations to amended returns may take longer to process.

Method 2 —Alternative apportionment petition submitted separately from your original or amended return

- Your written petition must have the title "Alternative apportionment request."
- We will not rule on your alternative apportionment request until you file your original or amended return using standard apportionment provisions.
- Your original or amended return, for which the written petition requests alternative apportionment, must use standard apportionment provisions.
- Mail your petition to: Oregon Department of Revenue, Corporation Section, 955 Center St NE, Salem OR 97301-2555.

Both methods of petition

- The petition must be signed by the taxpayer or the taxpayer's representative.
- You must use standard apportionment provisions to complete your original or amended return while the department rules, in writing, on your request for alternative apportionment.
- In the case of a UDITPA taxpayer, the petition must fully explain the extent of the taxpayer's business activity in Oregon and why standard apportionment doesn't fairly and equitably represent the taxpayer's business activity in Oregon. An ORS 314.280 taxpayer must fully explain why standard apportionment doesn't fairly and equitably represent the amount of net income the taxpayer earns inside and outside Oregon. An insurer must explain why standard apportionment doesn't fairly and equitably represent the insurer's business activity within Oregon.
- Your petition must fully explain your proposed method of alternative apportionment and explain why this proposed method is more accurate in reflecting business activity or net income, as appropriate, in Oregon than the standard formula.
- The petition must show how the Oregon return (Form OR-20, OR-20-INC, OR-20-INS, or OR-20-S) would be completed, including the net tax calculation, using the proposed method of alternative apportionment.