

**Form  
OR-EZ-EXCLM**

**Oregon Enterprise Zone Exemption Claim**

<b>Department of Revenue use only</b>
Date received

**Instructions**

- File with **county assessor** and copy local zone manager.
- File after January 1 and on or before April 1 directly following the calendar year in which qualified property is first placed in service. Attach Form OR-EZ-PS, *Oregon Enterprise Zone Property Schedule*, 150-310-076, for all such property.
- File within same time frame after each year of exemption. For first or second filing after initial filing, attach a property schedule only for **additional** new qualified property subject to same authorization, Form OR-EZ-AUTH, 150-303-029.
- Separate claims are required for exemptions subject to different authorizations, including, but not limited to, different investment sites within the same enterprise zone.
- See page 2 of this form for further filing instructions.

Assessor's use only		
Date received	Received by	Filing fee \$
Account number	Code area number	<input type="checkbox"/> Approved <input type="checkbox"/> Denied
Briefly give reason for denial		

**Filer/taxpayer**

Enterprise or Rural Renewable Energy Development zone where business and property are located		County where business and property are located	
Business name		Phone ( )	
Mailing address	City	State	ZIP code
Location of property (street address if different from above)	City	State	ZIP code
Map and tax lot number of site	Account number	Contact person	Title

**Authorization**

**1** Authorization application  
 a. Date submitted: \_\_\_\_\_ b. Date approved: \_\_\_\_\_

**2** Eligibility  
 I hereby state that my business is an eligible business and has satisfied all commitments, pursuant to the application for authorization, and that all qualified property claimed here is used only for such eligible activities. An attachment is included here to explain any difference in terms of the basis for eligibility from what was indicated in the application for authorization.  
 \_\_\_\_\_ (initial)\*

**3** Annual average employment existing in the enterprise zone at the time of authorization application: \_\_\_\_\_ jobs

**Exemption on qualified property**

**4** Authorized period of exemption:  3  4 or  5 years

**5** Property schedule, Form 150-310-076 a. Attached?  Yes  No b. If line 5a is "Yes," is this the first property schedule filed with an exemption claim subject to this authorization?  Yes  No  
 c. If line 5a is "Yes," total cost of investment property entered on line 7 of Form OR-EZ-PZ: \$ \_\_\_\_\_

**6** Ongoing exemption (answer only if either line 5a or line 5b is "No")  
 a. List first year(s) and total investment cost of ongoing/previous exemption(s) subject to same authorization:  
 Year 1 - 20\_\_\_\_ total cost: \$ \_\_\_\_\_  
 Year 2 - 20\_\_\_\_ total cost: \$ \_\_\_\_\_  
 Year 3 - 20\_\_\_\_ total cost: \$ \_\_\_\_\_  
 b. Status \_\_\_\_\_ I hereby attest that the ownership, leasing, location, disposition, operation, use, or occupancy of qualified property included in any such ongoing exemption is unchanged with respect to what was listed on relevant, prior property schedule. Any change or exception to this statement is explained in an attachment to this form.  
 \_\_\_\_\_ (initial)\*

**Employment in the enterprise zone**

**7** Current number of employees (as of April 1 or the date with signature\* on page 2, whichever is earlier): \_\_\_\_\_ full-time, permanent employees

**8** Recent employment figures (not relevant if both line 5a and line 5b are "Yes")  
 a. Annual average for previous calendar year: \_\_\_\_\_  
 b. Number of employees reported on line 7 on previous exemption claim: \_\_\_\_\_  
 c. Highest number of employees reported on line 7 in any prior exemption claim: \_\_\_\_\_

**9** If exemption is authorized for more than three years:  
 a. Previous calendar year's average annual wage of all new jobs: \$ \_\_\_\_\_  
 b. Previous calendar year's average annual compensation (with benefits) of all new jobs: \$ \_\_\_\_\_

**10** Certification  
 I hereby confirm that the information entered above (lines 7-9) and in the "Special-case Requirements" section on page 2 of this form (as applicable) is accurate. I understand that my business is responsible for maintaining records to verify such information, to be made available upon request by the zone sponsor or county assessor. Failure to produce verification may itself result in forfeiture of exemption. To avoid penalties, my business needs to report substantial curtailment of employment during the period of exemption not later than July 1 following the year of noncompliance.  
 \_\_\_\_\_ (initial)\*

**\*Declaration**

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

**Must be signed by an owner, company executive or authorized representative of the business.**

*Signature <b>X</b>	*Date
Title (if not an owner or executive, attach letter attesting to appropriate contractual authority)	

# Oregon Enterprise Zone Exemption Claim

## Special-case requirements

Check all items that apply, including but not limited to having been addressed in the authorization application or pre-authorization conference with the local zone manager. Refer to applicable statutes (ORS) for further information and include attachments if necessary.

- With first claim filing, first-source hiring agreement** is executed for the period of the exemption. [Note: if contact agency or zone manager report otherwise, then property in an attached property schedule doesn't initially qualify, except with waiver from the director of the Oregon Business Development Department (dba Business Oregon) under ORS 285C.215.]
- Employment of authorized business firm was moved into enterprise zone from Oregon site(s) outside but within 30 miles of zone boundary after authorization. If so, fill in the following figures with the first and second exemption claim, based on employees **at the site(s)**:
  - a. Annual average employment at authorization (see line 3 of this form): \_\_\_\_\_ b. Current number of employees (see line 7 of this form): \_\_\_\_\_
  - c. Previous year's annual average employment (see line 8a of this form): \_\_\_\_\_ (with second claim).
- Eligible operations of business (or commonly controlled business) have closed or been permanently curtailed and have been transferred after authorization into enterprise zone from an Oregon location more than 30 miles from zone boundary, diminishing employment at that location. If so, explain timing and extent.
- Enterprise zone employment is combined with that of 100 percent commonly owned business/corporation(s). Attach signed statement, as well as explanation of affected companies, their location in the enterprise zone, and any resulting adjustment to line 3 relative to authorization application.
- Local additional requirements are being satisfied. **Addendum** for enterprise zone sponsor is attached (as applicable), according to the policy and standards of an urban enterprise zone sponsor or a written agreement with any sponsor for extended abatement of four or five years in total.
- There is a local waiver of hiring requirements by resolution, for which alternative minimum employment level and local additional conditions are satisfied, as allowed and applicable, and:
  - a.  The total cost of investment in qualified property does or will equal \$25 million or more; **or**
    - Productivity has or will rise by at least 10 percent and an amount equal to 25 percent of property tax savings has or will be dedicated to workforce training fund, subject to monitoring and determinations by the zone sponsor; **or**
  - b.  The total cost of investment in qualified property in a rural renewable energy development zone does or will equal \$5 million or more; **or**
  - c.  This exemption claim is for a year during or following a period of suspension granted by the zone sponsor under ORS 285C.203.
- This exemption claim and accompanying property schedule are being filed a year late, between January 1 and April 1, for qualified property placed in service in the year before the previous calendar year. I understand that the first year of the exemption is forfeit, and that all stipulations for qualification in this claim form and the schedule must be satisfied as if these documents had been timely filed, and that a second claim form is also needed for the previous calendar year.

## Additional instructions

### Filer/taxpayer

This form allows your already authorized business firm to claim the three- to five-year exemption on newly invested qualified property that your business owns or leases at the specified site in the enterprise zone for the current year. To receive a tax exemption, file your claim with the county assessor after January 1 and no later than April 1.

For the first year of any such exemption, qualified property must be listed on a Form OR-EZ-PS, *Oregon Enterprise Zone Property Schedule*, 150-310-076, and included with this claim.

If this exemption claim relates to any state-appraised industrial property (ORS 306.126), it may be filed with the Oregon Department of Revenue within the time required and will be considered timely filed with the county assessor.

**Late filing of claim with property schedule:** A first-year claim may be filed after April 1 and on or before June 1. A late **filing fee** equal to the greater of \$200 or  $\frac{1}{10}$  of 1 percent of the listed qualified property's total investment cost will be charged. After June 1 and between the following January 1 and April 1, an exemption may be granted only for the remainder of the authorized period (such as, less the first year); see last check box above.

**Late filing of claim without property schedule:** For subsequent years, the claim may be filed with the county assessor after April 1 and on or before August 31. A late **filing fee** equal to the greater of \$200 or the following factor multiplied by the exempt property's total investment cost from prior schedule(s) will be charged, respective to the corresponding filing date:

Factor	On or before
0.0002 .....	May 1
0.0004 .....	May 31
0.0006 .....	June 30
0.0008 .....	July 30
0.0010 .....	August 29
0.0012 .....	August 31

Failure to file an exemption claim after any year of exemption by the due date or failure to pay the late filing fee may cause the remainder of the exemption period to be terminated at the assessor's discretion.

### Authorization

Refer to your relevant Form OR-EZ-AUTH, *Oregon Enterprise Zone Authorization Application*, 150-303-029, and *Authorization Approval* form, 150-303-082. If your authorization became "inactive" due to failure either to successfully claim exemption or to furnish a statement of continuing interest after two full calendar years, then the initial exemption claim may be accepted only with a **filing fee** equal to the greater of \$200 or  $\frac{1}{10}$  of 1 percent of the real market listed qualified property's total investment cost.

### Exemption on qualified property

The period of exemption is three consecutive (assessment) years in length, unless the zone sponsor agreed in writing at authorization to allow extended abatement of four or five consecutive years in total.

Property schedule is required to exempt property first placed in service from January 1 to December 31 of the immediately prior year. Property is placed in service once it is in use or occupancy, or is physically ready as such, for specifically intended commercial purposes.

Two or three different exemptions subject to same authorization may begin over not more than three successive years.

### Employment in the enterprise zone

Except for headquarters/centralized facility for statewide or wider regional operations, employment is counted throughout the enterprise zone for positions engaged in any type of eligible activity or operations. Don't use FTE (full-time equivalent), and exclude all part-time, temporary or seasonal employees

If the initial property schedule is attached (line 5a and line 5b are "yes"), then line 7 must be higher than line 3 by the greater of at least 10 percent or one job. (If this isn't so, but employment since the application for authorization did reach a high enough level, attach explanation about when this was true.)

After the first year of the (initial) exemption:

- Line 7 or line 8b must be at least 50 percent of line 8c;
- Line 7 (alone) must be at least 15 percent of line 8c; and
- **Line 8a must be 110 percent or higher than line 3.**

For most enterprise zones, in order to receive the extended abatement, line 9a must be at least 100 percent of the most recently available county average wage in the fourth and fifth year (but only if the written agreement with the zone sponsor was executed on or after October 6, 2017). In addition, regardless of when written agreement was entered into, line 9b needs to equal or exceed 130 or 150 percent of the county average wage (as previously established for the zone) in all exemption years. Compensation includes all wages and fringe/financial benefits; (other than those based on a payroll tax or comparable government mandate). New jobs are those created and added to the employment of the firm only after the application for authorization and before the end of initial exemption year.

If the enterprise zone sponsor or the county assessor doubts the sufficiency or accuracy of job numbers, and reasonably requested corroboration is lacking, the exemption on otherwise qualified property may be denied for current and future years.

Noncompliance with the above employment requirements causes disqualification and the imposition of back taxes (but without additional penalty /interest, subject to timely notice no later than July 1, which may also allow for a one-time payment to zone sponsor of amount equal to tax savings in lieu of disqualification).

Disqualification also results if verification isn't provided within 60 days, following a formal request sent by or through the county assessor using registered or certified mail.