

If you use Schedule OR-FIA-40-N to calculate your tax, enter the tax amount from Schedule OR-FIA-40-N, line 19, on Form OR-40-N, line 46, and check box 46a.

If you use Schedule OR-FIA-40-P to calculate your tax, enter the tax amount from Schedule OR-FIA-40-P, line 18, on Form OR-40-P line 44, and check box 44a.

Don't include a copy of Schedule OR-FIA-40-N or Schedule OR-FIA-40-P with your Oregon return. Keep it with your records.

**Farm asset capital gain method.** Did you sell or exchange capital assets primarily used in farming because you were getting out of a farming business? Or, did you sell or exchange a farming business in which you held at least a 10 percent ownership interest? If so, you may be eligible for a reduced tax rate on the net capital gain from the proceeds. Download Worksheet OR-FCG from our website or contact us to order it.

Use Worksheet OR-FCG to calculate tax on your net farm capital gain and your other Oregon income. **Don't** include a copy of Worksheet OR-FCG with your return. Keep it with your records.

*Nonresidents.* Enter the tax amount from Worksheet OR-FCG, line 7 on Form OR-40-N, line 46 and check box 46b.

*Part-year residents.* Enter the tax amount from Worksheet OR-FCG, line 8, on Form OR-40-P, line 44 and check box 44b.

**Oregon qualified business income reduced tax rate.** Did you have income from a sole proprietorship (which can now qualify), partnership, or S corporation in which you materially participated? If so, you may qualify to use this reduced tax rate. For the income to qualify, it

must be nonpassive income from a sole proprietorship, partnership, or S corporation that employed at least one employee in Oregon for a total of at least 1,200 hours. See Schedule OR-PTE-NR or Schedule OR-PTE-PY on our website or contact us to order it.

**Note:** If you elect to use this reduced tax rate for qualifying income, the election is irrevocable and must be made on your original return. **You can't change the election after the filing of your original return.**

*Nonresidents.* Enter the tax amount from Schedule OR-PTE-NR, line 14a on Form OR-40-N, line 46 and check box 46c.

*Part-year residents.* Enter the tax amount from Schedule OR-PTE-PY, line 19a on Form OR-40-P, line 44 and check box 44c.

You must include this form with your Oregon return or submit it at [www.oregon.gov/dor](http://www.oregon.gov/dor); click the link for Revenue Online and log in or create an account.



**Interest on certain installment sales.** Did you have installment sales that required you to pay interest on the deferred tax liability for federal purposes? If so, you must also compute interest for Oregon. The amount due for Oregon is computed using the same method as the federal amount. The interest rate for 2018 is 0.4167 percent (0.004167) per month. For 2019, the interest rate is 0.5 percent (0.005) per month.

**Nonresidents.** Use only those installment obligations from dispositions of Oregon property.

2018 Tax rate charts	
<b>Chart S: For persons filing single or married filing separately—</b>	
If your taxable income is not over \$3,450.....	your tax is 5% of taxable income
If your taxable income is over \$3,450 but not over \$8,700.....	your tax is \$173 plus 7% of excess over \$3,450
If your taxable income is over \$8,700 but not over \$125,000.....	your tax is \$540 plus 9% of excess over \$8,700
If your taxable income is over \$125,000.....	your tax is \$11,007 plus 9.9% of excess over \$125,000
<b>Chart J: For persons filing jointly, head of household, or qualifying widow(er) with dependent child—</b>	
If your taxable income is not over \$6,900.....	your tax is 5% of taxable income
If your taxable income is over \$6,900 but not over \$17,400.....	your tax is \$345 plus 7% of excess over \$6,900
If your taxable income is over \$17,400 but not over \$250,000.....	your tax is \$1,080 plus 9% of excess over \$17,400
If your taxable income is over \$250,000.....	your tax is \$22,014 plus 9.9% of excess over \$250,000