

### **Oregon Wildfire and Straight-line Wind Tax Relief**

#### **Q1: Who qualifies for Oregon relief related to Oregon wildfires and straight-line winds?**

**A1:** The following taxpayers qualify as victims of Oregon wildfires and straight-line winds:

- Taxpayers who reside, have a principal place of a business, maintain tax records, or provide disaster relief activities through a recognized charity or government unit in one of eight qualifying counties.
- Taxpayers who meet the criteria for a standard “circumstances beyond control” (CBC) waiver and do not have a connection to one of the eight qualifying counties as described above.

The Oregon Department of Revenue will grant relief to a taxpayer once the taxpayer shows they reside, have a principal place of business, maintain tax records, or provided qualifying disaster activities in one of eight qualifying counties listed in A2 because it is assumed these taxpayers were subject to circumstances beyond their control. Taxpayers outside one of the eight qualifying counties will be required to show circumstances beyond their control to claim relief.

#### **Q2: What counties qualify?**

**A2:** The IRS declared these eight counties as qualifying for federal individual assistance relief:

- Clackamas
- Douglas
- Jackson
- Klamath
- Lane
- Lincoln
- Linn
- Marion

These counties were all designated “individual assistance” areas by the Federal Emergency Management Agency (FEMA). Other counties in Oregon were listed in the FEMA information. However, those counties qualify for “Public Assistance,” which is assistance to state and local governments, not individuals, and do not qualify for filing and payment relief unless they qualify for the standard “circumstances beyond control” (CBC) waiver.

#### **Q3: If the IRS adds any additional counties to its relief, will Oregon?**

**A3:** Yes, any counties added later by the IRS for “individual assistance” will be included as a qualifying county for purposes of Oregon’s relief.

**Q4: Do I have to be impacted by the wildfires and straight-line winds in only those eight counties to qualify?**

**A4:** No, the department is willing to work with anyone that was impacted by the wildfires, even if you are not in the eight counties listed in Q2. A taxpayer not in one of the eight counties will need to meet criteria for a standard “circumstances beyond control” (CBC) waiver. See A1 for more details.

**Q5: Where can you find the IRS announcement?**

**A5:** The announcement can be found at <https://www.irs.gov/newsroom/around-the-nation-oregon>.

**Q6: Are any due dates being extended in Oregon?**

**A6:** No, but the department will grant penalty and interest waiver relief to affected taxpayers, either to those in qualifying counties or to others who meet the criteria for a standard “circumstances beyond control” (CBC) waiver.

**Q7: What *filing* due dates qualify for Oregon relief?**

**A7:** Late filing penalties will be waived for any **filing** due date that occurs on or after September 7, 2020 and before January 15, 2021, if the return is filed on or before January 15, 2021 and the taxpayer otherwise qualifies.

- For personal income tax filers, the taxpayer will need to check the “extension” and “federal disaster relief” box on the front of their return when filing.
- For all other programs, relief will be granted through the waiver process.

**Q8: Are *payment* due dates being postponed under Oregon relief?**

**A8:** Late-payment penalties and interest will be waived for any **payment** due date that occurs on or after September 7, 2020 and before January 15, 2021 and the taxpayer otherwise qualifies.

- Penalty and interest on payments due during that time will be waived for qualifying victims if the payment in full is made on or before January 15, 2021.

Remember: An extension to file is not an extension to pay. (See Q9 for an example.)

**Q9: Do payments due prior to September 7, 2020 or after January 15, 2021 qualify for a penalty waiver under the relief?**

**A9:** No. Any payments due prior to September 7, 2020 or after January 15, 2021 will not qualify for a penalty or interest waiver under the relief.

- Example: Taxpayer did not pay their tax due by the due date of July 15, 2020 but lives in one of the impacted counties. Because their payment was due prior to the September 7, 2020 event, any penalty and interest assessed does not qualify to be waived under this relief.

**Q10: What tax programs qualify for relief?**

**A10:** Below is a list of programs that qualify for relief:

- Amusement Device Tax.
- Cigarette Tax.
- Composite Return.
- Corporate Activity Tax (CAT).
- Corporate Excise Tax.
- Corporate Income Tax.
- Emergency Communications Tax (E911).
- Estate Transfer Tax.
- Fiduciary Income Tax.
- Forest Products Harvest Tax.
- Hazardous Substance Possession Fee.
- Heavy Equipment Rental Tax.
- Income Tax Withholding.
- Insurance Excise Tax.
- Lane Transit District Self-Employment Tax.
- Marijuana Retail Tax.
- Tobacco Products Tax.
- Partnership.
- Personal Income Tax.
- Petroleum Load Fee.
- S Corporation Tax.
- State Transient Lodging Tax.
- Statewide Transit Individual Tax.
- Statewide Transit Tax.
- TriMet Transit District Self-Employment Tax.
- Vehicle Privilege Tax (Use tax if for entities outside of Oregon).

**Q11: What programs do *not* qualify for the relief?**

**A11:** The below programs do *not* qualify for relief:

- Electric Cooperatives Tax.
- Oil and Gas Production Tax.
- Property Tax.
- Private Railcar Tax.
- Small Tract Forestland Severance Tax

**Q12: If you are a victim of a wildfire and straight-line winds (as defined in A1) and are unable to make a timely payment, what happens?**

**A12:** Follow these instructions:

- Wait and see if you have any penalties imposed. If a penalty is imposed, you will receive a notice from the department showing a penalty.
- Then submit a waiver request, in writing, requesting the penalty and/or interest be waived and explain that you are a victim of the wildfire and straight-line winds.
- Any past-due balances will go into normal collections process. You will be eligible for payment plans or any other standard collections relief and will need to work with your collection agent to make those arrangements.

**Q13: What happens if I qualify for relief, but I am charged penalties and interest?**

**A13:** Submit a waiver request in writing requesting the penalty and/or interest be waived and explain that you are a victim of the wildfire and straight-line winds.

**Q14: What if I am a Personal Income Tax (PIT) taxpayer and missed my estimated tax payment for the third quarter due to the wildfires and straight-line wind event? Will I be assessed UND (interest of underpayment of estimated taxes)?**

**A14:** No. UND will not be assessed for the third or fourth quarter for victims of the Oregon wildfires and straight-line winds for PIT.

When filing your 2020 PIT return:

- Check the federal disaster relief box on the front of your 2020 PIT return.
- If you have UND, indicate you qualify for UND exception number 4. Indicate this in Box 40a on Form OR-40, Box 66a on Form OR-40-N, or Box 65a on Form OR-40P. You may still have UND charges for the first two estimated tax payments that were due prior to the wildfires and straight-line winds.
- Follow the instructions and file Form OR-10 with your PIT return.

**Q15: What if I am a corporate taxpayer and missed an estimated tax payment after the wildfires? Will I be required to pay UND? (interest on underpayment of estimated taxes)?**

**A15:** No. Fill out Form 37 when filling out your tax year 2020 return. Whatever UND is self-assessed by a victim of the wildfires for estimated payments due between September 7, 2020 and January 15, 2021 will be waived. See Q16 for more details.

**Q16: What happens if I qualify for relief but am charged UND (interest on underpayment of estimated taxes) after I file my Oregon tax return?**

**A16:** This applies only to Personal Income Tax (PIT) and corporate income/excise tax programs as they are the only programs that charge UND.

- For PIT taxpayers:
  - Complete Form OR-10 and indicate you qualify for UND exception 4.
  - You may still have UND charges for the first two estimated tax payments that were due prior to the wildfire and straight-line winds and will need to follow the instructions and file Form OR-10 with your waiver request.
  - Submit a UND waiver request, in writing, requesting the UND interest be waived or adjusted and explain that you are a victim of the wildfire and straight-line winds. Enclose your completed Form OR-10 with your waiver request.
- For corporate income/excise taxpayers:
  - Request a waiver of UND in writing. In the request, specify you are a victim of the Oregon wildfires and straight-line winds. Corporate income/excise tax does not have a casualty UND exemption.

**Q17: What happens if I lost all my Oregon tax filings in the wildfire and straight-line wind event?**

**A17:** You can request a copy of your Oregon tax returns by mail or calling our Tax Services Unit at 800-356-4222. The department will waive the fees for the copies and will send you a copy of your tax returns that you request for free. Just explain you were affected by the Oregon wildfire and straight-line wind event when you request the copies.

If sending request by mail, you will need to include:

- Name.
- Address.
- Social Security number.
- Signature.
- Tax year of return requested.
- Daytime phone number.

- A statement that you were impacted by the Oregon wildfires and straight-line wind event and the date.

### **Q18: What happens if I am unable to pay the debt in full?**

**A18:** If you are unable to pay your debt in full, we can resolve outstanding debt and avoid automated collection activity by arranging a payment agreement with the department. You can set up a payment agreement by calling one of the numbers listed below:

- Personal income tax payment plans: 503-945-8200.
- Business tax payment plans: 503-945-8100.
- Other Agency Accounts: 503-945-8199.

### **Q19: What if I am on a current payment plan and cannot make the payment?**

**A19:** Do not skip or reduce current payments. If you are unable to comply with your existing payment agreement between now and January 15, 2021, you can request a modification to your existing payment agreement by calling the department at least five business days before your payment due date. To request a modification to your current payment plan, call one of the following numbers:

- Personal income tax payment plans: 503-945-8200.
- Business tax payment plans: 503-945-8100.
- Other Agency Accounts: 503-945-8199.

### **Q20: How do I update my information?**

**A20:** You may need to update your account information, which may include changing an address or phone number. You can update your account information via one of the following methods:

- Personal Income Tax: Call 800-356-4222, log into Revenue Online, or fill out and submit a *Change of Address/Name* form on the Revenue website at [www.oregon.gov/dor](http://www.oregon.gov/dor).
- Oregon withholding/payroll accounts: The employer is required to submit a *Business Contact Change* form to update primary contacts and/or mailing address information. It can be found on the forms page on the Revenue website at [www.oregon.gov/dor](http://www.oregon.gov/dor).
- Corporate income/excise tax: Call 800-356-4222.

### **Q21: Does this relief extend the due date for taxpayers who file and claim the Oregon qualified business income reduced tax rate on their personal income tax return?**

**A21:** Elections for the business income reduced tax rate made on the original return can be made at any time, even if the return is filed late.

**Q22: Are Timber Tax estimated payments still due quarterly?**

**A22:** Yes, Timber Tax estimated payments are due quarterly for people who expect to owe \$1,500 or more for the calendar year.

- The third quarter estimated payment for the Forest Products Harvest tax is due October 31.
  - If you are impacted by the recent wildfires in Oregon and late in making your estimated tax payment, the department will grant a request waiver for penalty imposed.
  - The request will need to be made in writing when you file your Timber Tax return, due on or before April 15, 2021.

**Q23: Is there any relief for property taxes?**

**A23:** Property Tax values are determined as of the January 1, 2020 assessment date, and there are no changes to Property Tax due dates or property taxes imposed as a result of the recent fires. Taxpayers suffering damage or destruction of their property may be able to obtain tax relief by filing an application with their county tax collector for proration of tax due to damage or destruction by fire or act of God.

- [\*Application for Proration of Property Taxes Due to Damage by Fire or Act of God.\*](#)
- [Information pamphlet](#) with regards to the above-mentioned application.