



ADMINISTRATIVE RULE REVIEW

	Rule No. 150-317-1130	
New Rule	Page Page 1 of 2	Last Revised Date February 24, 2020
Permanent Rule	NOTICE OF INTENDED ACTION	
	Bulletin Dated May 2020	Hearing Scheduled May 26, 2020

PURPOSE: Provides guidance on when property brought into this state is included in taxable commercial activity for purposes of the Oregon Corporate Activity Tax (CAT).

1 **150-317-1130**

2 **Property Brought into Oregon**

3 (1) ORS 317A.109 requires a person or unitary group to include the value of property transferred into
4 Oregon for use in the business of the person or unitary group if:

5 (a) The person or unitary group received the property outside Oregon and transferred it into
6 Oregon for use in the business of the person or unitary group within one year of receiving it
7 outside Oregon, and

8 (b) The receipt of the property outside Oregon and its subsequent transfer into Oregon was
9 intended, in whole or in part, to avoid the Corporate Activity Tax (CAT).

10 (2) A person or unitary group who intended to avoid the CAT must include the fair market value of
11 property transferred into Oregon in their taxable commercial activity for the tax year the property was
12 transferred into Oregon.

13 (3) Section (2) of this rule does not apply to the extent the sale of the property transferred into Oregon is
14 excluded from the definition of commercial activity by law.

15 (4) **Example:** Unitary group XYZ purchases motor vehicle fuel in Idaho on January 15, 2020 and
16 transfers the motor vehicle fuel to Oregon on January 18, 2020. Unitary group XYZ would not include
17 the fair market value of the motor vehicle fuel in their Oregon commercial activity because commercial
18 activity excludes receipts from the sale of motor vehicle fuel.

19 (5) A person or unitary group should not include in their taxable commercial activity the fair market
20 value of property transferred into Oregon within a year of receipt outside Oregon if the transfer of
21 property into Oregon within a year of receipt outside Oregon was not intended to avoid the CAT in
22 whole or in part.

23 (6) A person or unitary group who omits from commercial activity the fair market value of property
24 transferred into Oregon within a year of receipt outside Oregon is required to include the fair market
25 value upon a showing by the department that the taxpayer intended to avoid the CAT in whole or in part.



ADMINISTRATIVE RULE REVIEW

	Rule No. 150-317-1130	
New Rule	Page Page 2 of 2	Last Revised Date February 24, 2020
Permanent Rule	NOTICE OF INTENDED ACTION	
	Bulletin Dated May 2020	Hearing Scheduled May 26, 2020

PURPOSE: Provides guidance on when property brought into this state is included in taxable commercial activity for purposes of the Oregon Corporate Activity Tax (CAT).

- 1 **Stat. Auth.:** ORS 305.100; ORS 317A.109; ORS 317A.143
- 2 **Stats. Implemented:** ORS 317A.109