

Instructions for 2015 Annual Certification for Oregon Natural Resource or Commercial Fishing Business Credit

Filing requirement

This form will be filed by the recipients of inherited property for which the Oregon Natural Resource Credit or the Oregon Commercial Fishing Business Credit was claimed on the decedent's Form OR706, *Oregon Estate Transfer Tax Return*, 150-104-001. As the recipient of the natural resource credit (NRC) property, you are required by Oregon Revised Statute (ORS) 118.140 to complete this certification form each year to report the continued qualified use of the NRC property.

Due date

Submit this completed annual certification form by April 15 of each year, even if you haven't yet used the qualified property for a complete 12 month period.

Qualified use period

The use period start date will be the date the property continued to be used as qualified natural resource property or qualified commercial fishing business property after the decedent's death.

Example: You inherited the decedent's natural resource property and began qualified use of the property on February 16, 2012. Your ending period would be the date the asset is not being used in the natural resource operation or December 31, 2012. This is the first of five years of operation.

Natural resource asset—part 2, column D

Categorize each natural resource asset as one of the following and enter a, b, or c, in part 2, column D:

- a. The asset is still used in the operation of a farm, forestry, or fishing business.
- b. The asset has been replaced with property that meets the requirements of ORS 118.140(9)(d).
- c. The asset has been subject to a disposition under ORS 118.140(9).
- d. The asset was not used in the operation of a farm, forestry, or fishing business for period listed above.

Five out of 8 years of qualified use period requirement

The property is required to be used as natural resource property for five out of eight years following the decedent's death. If you don't use the natural resource property for five out of eight years following the decedent's death, or you dispose of the property before this requirement is met, part of the tax credit must be repaid. (ORS 118.140)

File Form OR706-A, *Oregon Additional Estate Transfer Tax Return*, 150-104-007; and pay additional taxes due within six months after you disposed of the property or ended the qualifying use.

Download Form OR706-A at www.oregon.gov/dor.



2015

Annual Certification for Oregon Natural Resource or Commercial Fishing Business Credit For use with Form OR706

For Revenue use only Date received

Qualified use period starting ending Date (MM/DD/YYYY) Date (MM/DD/YYYY)

As the owner of inherited natural resource property or commercial fishing business property, on which the decedent's estate elected and claimed the Oregon Natural Resource Credit (NRC), you're required to complete this certification form each year to maintain your eligibility for the natural resource credit.

Part 1 - Taxpayer information

Table with 3 columns: Name of property owner, Name of trustee, Current mailing address, Name of decedent, Decedent's date of death, Decedent's Social Security number (SSN), Property owner's Social Security number (SSN), Federal employer identification number (FEIN) for trust, Phone.

Part 2 - Description of property (see instructions)

Table with 4 columns: A. Description of the natural resource property or commercial fishing business property, B. Value of natural resource property on which the credit was claimed, C. Natural resource credit (NRC) related to the value in column B, D. Enter the natural resource asset code. Includes a Totals row.

Part 3 - Signature

To the best of my knowledge and belief, the information contained on this form is true, correct, and complete. In accordance with Oregon Revised Statute (ORS) 118.140, I certify all natural resource or commercial fishing business property identified in part 2, remains in qualified use for the natural resource credit.

Signature of property owner Date

This form is due on April 15th each year. E-file or mail this form to: Oregon Department of Revenue, PO Box 14110, Salem OR 97309-0910

If you stopped using the property for qualified natural resource use before you met the 5 out of 8 year requirement, see instructions to file Form OR706-A.