

If your current year corporation tax liability, including the minimum tax, is less than \$500 you aren't required to make estimated payments. Don't complete this form.

**Line 3—Exception number claimed for each quarter.**

From Part II, lines 12 through 14, select the exception being used for each quarter. **Example:** If you're using exception 1 in the first quarter, place a "1" in box 3(a).

**Line 7—Estimated tax paid or credited for each period.**

**Column (a). First quarter estimated tax payments.** Enter estimated taxes paid or credited by April 15 for calendar year filers and the 15th day of the 4th month for fiscal year filers.

If you elected to apply part or all of your previous tax year's refund to this year's estimated tax payments, the elected amount attributable to estimated tax payments received prior to the first quarter's estimated tax due date will be applied to the first quarter. The elected amount attributable to estimated tax payments received after the first quarter estimated tax due will be applied as of the date the payment is received.

**Column (b). Second quarter estimated tax payments.** Enter estimated taxes paid or credited by June 15 for calendar year filers and the 15th day of the 6th month for fiscal year filers.

**Column (c). Third quarter estimated tax payments.** Enter estimated taxes paid or credited by September 15 for calendar year filers and the 15th day of the 9th month for fiscal year filers.

**Column (d). Fourth quarter estimated tax payments.** Enter estimated taxes paid or credited by December 15 for calendar year filers and the 15th day of the 12th month for fiscal year filers.

**Line 13—Exception 2.** To qualify to use this exception, your prior year return must cover a period of 12 months and show a tax liability.

A **high-income taxpayer** has federal taxable income, before net operating loss and capital loss carryovers and carrybacks, of \$1,000,000 or more in any one of the last three years, not including the current year.

If you're a **high-income taxpayer**, exception 2 only applies to the **first** installment payment. Any reduction to the first installment payment due to exception 2 **must** be added to the second installment payment.

The reduction amount that must be added to the second installment is the lesser of the exception amounts on lines 12, 14, and 15 in column (a), minus the exception 2 amount on line 13 in column (a).

Add the reduction amount to the lesser of the exception amounts on lines 12, 14, and 15 in column (b) and enter the result on line 4 as the required second installment.

**Line 14—Exception 3.** This applies to taxpayers using the annualized income installment method. See the instructions for lines 16 and 18.

**Line 15—Exception 4.** This applies to taxpayers with recurring seasonal income. The taxpayer must pay, by each installment due date, an amount equal to 100 percent of the amount by applying Section 6655(e)(3)(C) of the Internal Revenue Code (IRC) to Oregon taxable income. Include a schedule of your computation.

**Line 16—Annualization periods.** If you didn't elect to use the optional annualization periods for federal purposes allowable under section 6655(e)(2)(C) of the IRC, you must use the standard Oregon annualization periods provided in Oregon Revised Statute (ORS) 314.525(2)(c)(A). If you elected to use the optional annualization periods for federal purposes, you must use the same annualization periods for Oregon.

*Months in annualization periods*

	1st quarter	2nd quarter	3rd quarter	4th quarter
Standard Oregon periods	3	3 or 5	6 or 8	9 or 11
Federal option #1	2	4	7	10
Federal option #2	3	5	8	11

**Line 18—Annualization factors.** The annualization factor is based on the number of months in the annualization period.

*Annualization factor*

Number of months	2	3	4	5	6	7	8	9	10	11
Annualization factor	6	4	3	2.4	2	1.714	1.5	1.333	1.2	1.091

**Line 20—Annualized tax.** Use the calculated tax rate from Forms OR-20, OR-20-INC, OR-20-INS, or OR-20-S. If annualized taxable income is \$1 million or less (not below zero), multiply Oregon taxable income by 6.6 percent. If annualized taxable income is more than \$1 million, multiply the amount that's more than \$1 million by 7.6 percent and add \$66,000.

**Don't use** the minimum tax calculation to calculate line 20.

**Lines 27 and 28—Interest is computed on the underpayment amount from part III, line 23.** Interest rates may change once in a calendar year. The chart below shows the interest rates and effective dates.

*Interest rates*

For periods beginning	Annually	Daily
January 1, 2020	6%	0.0164%
January 1, 2019	6%	0.0164%
January 1, 2018	5%	0.0137%