

# Form OR-390-WO and Form OR-391-EO Instructions

## Small Tract Forestland (STF) Severance Tax



[www.oregon.gov/dor/timber](http://www.oregon.gov/dor/timber)

### General information

#### Payment voucher

A payment voucher is included with your form and instructions. Include your payment amount on the voucher.

Mail the payment voucher with your form by the due date.

#### Who is the taxpayer?

The taxpayer is the owner of the harvested timber when it is first measured. The timber owner, as listed on the Notification of Operation from the Oregon Department of Forestry (ODF) is responsible for reporting and paying the tax (ORS 321.005 and ORS 321.550).

#### What if I didn't harvest?

You are required to file a return even if you **didn't** harvest timber during the year or you harvest non-taxable material. Check the "No harvest" box in the upper right corner on the front of the return. Sign, date, and mail your return to the Oregon Department of Revenue.

#### Is another party responsible?

If the ownership of the timber has been transferred to another party, check the box in column 4. Attach a copy of the written agreement (contract) to the return.

The written agreement (contract) must be signed and dated by both parties and contain the name of the responsible party and the terms of the agreement.

Sign, date, and mail your return to us.

#### Exempt land?

The severance tax is only due on timber harvested from lands classified by the county as Small Tract Forestland (STF). If the harvest occurred on land classified as something other than STF, mark the "Exempt Land" box on the front of the return. The property tax account numbers are used to verify how your land is classified by the county for property tax purposes. If necessary, use the comments section on the back of the form to explain.

#### What is the filing deadline?

**April 15** for harvested timber that is **measured** between **January 1 and December 31** of the prior

calendar year. This due date is extended to the following Monday when April 15 falls on a weekend.

#### What records do I need to complete my return?

- Notification of Operation.
- Mill records showing total volume (net MBF) harvested, such as mill records and/or scale tickets.
- Property tax account numbers.

**Keep a copy of your returns and all original records for at least six years from the date returns are due.**

#### What timber harvest is subject to tax?

All timber harvested from land designated as Small Tract Forestland statewide that can be measured in board feet or tons, and meets the requirements of saw mill grade or better, is subject to the tax. Also, chips produced in the woods are subject to the tax.

#### Exempt products not subject to tax:

- Secondary products, other than chips, **manufactured in the woods** and produced from logs normally either left in the forest or burned as slash. **Examples:** Shake or shingle bolts, fence posts, firewood, and arrow bolts.
- Chips produced from materials not meeting the requirements of utility cull or better and sold as hog fuel.

### Other timber taxes

In addition to the STF severance tax, a Forest Products Harvest Tax (FPHT) return must be filed for all timber harvested in Oregon. This is separate from the STF severance tax.

#### What if I'm filing an amended return?

You may send an amended return any time after the original filing date. An amended return claiming a refund must be filed within two years of the overpayment.

Check the "Amended return" box in the upper right of the return. Complete the form as if an original return were being filed. Complete each box with the correct information, even if it isn't being changed. Use the comments section on the back of the form to explain the reason you are amending.

## Extensions

You may request an extension of time to file your return. The request must be made in writing and state the reason for the request. The request must be postmarked no later than the due date of the return. We may grant up to 30 days from the due date in which to **file the return**. This is only an extension to file. **It doesn't extend the time to pay**. When you file, attach a copy of your approved extension to the front of your return.

## Filing Instructions

Check the preprinted information on the return. If any items are inaccurate, print the correction under that item. **Don't white out any information on the return.**

Your account number is located at the top of your return. Refer to this number on any correspondence or in phone calls.

**Columns 1 through 4.** For additional areas of harvest that aren't already listed, enter the entire Notification of Operation number, landowner, county, and check the box if another party is responsible. Attach a copy of the notification.

## Measurement

**Logs and chips must be reported in MBF.** Products not measured in board feet (BF) must be converted to thousands of board feet (MBF). If needed, use the conversion table on the back of the return to convert tons to MBF.

**Column 5.** Enter the net (and "adjusted gross") thousand board feet (MBF) volume of timber harvested for each Notification of Operation.

To convert board feet (BF) to MBF, divide by 1,000. **Round** MBF to the nearest whole number. For example:

$$\begin{aligned} 26,499 \text{ BF} &= 26.499 \text{ MBF} = 26 \text{ MBF} \\ 26,500 \text{ BF} &= 26.500 \text{ MBF} = 27 \text{ MBF} \end{aligned}$$

**Line 6. Total volume.** Add all the volumes from column 5. Be sure to include all volumes from column 5 from all pages of Form OR-390-A-WO or Form OR-391-A-EO. Enter the total on line 6.

**Line 7.** Multiply line 6 by the tax rate preprinted on the form. Enter the result on line 7.

**Line 8.** Enter any prior payments.

**Line 9 and 10.** Subtract line 8 (prior payments) from line 7 (tax). If the result is positive, enter on line 9 (tax due with this return). If the result is negative, enter on line 10 (overpayment). Don't enter a negative <-> amount.

If you have an overpayment, we will compute and pay interest on your refund, if applicable.

## Late filing

**Line 11.** Compute penalty if you:

- Mail your tax payment after the due date (even if you have a filing extension).
- File your return showing tax due (line 9) after the due date.

The penalty for filing or paying late is 5 percent of the unpaid balance of your tax. If you file more than three months late, the penalty is 25 percent of line 9.

For amended returns, you don't have to pay a penalty if **all** additional tax and interest are paid with your amended return.

**Line 12.** Compute interest: multiply the number of days late **times** the daily interest rate (printed on the form) **times** the amount on line 9. For amended returns, compute interest from the original due date of the return.

**Line 13. Total payment.** Add lines 9, 11, and 12. Enclose this amount with your return. Sign, date, and mail your return to the Oregon Department of Revenue.

No payment is due if tax due (line 9) is less than \$10. However, you **still must** file a return.

## Do you have questions or need help?

[www.oregon.gov/dor](http://www.oregon.gov/dor)  
503-378-4988 or 800-356-4222  
[timber.tax.help@dor.oregon.gov](mailto:timber.tax.help@dor.oregon.gov)

Contact us for ADA accommodations or assistance in other languages.

Make your payment on Revenue Online at [www.oregon.gov/dor](http://www.oregon.gov/dor) or mail payments, forms, and correspondence to:

**Timber Tax Programs**  
**Oregon Department of Revenue**  
**PO Box 14003**  
**Salem OR 97309-2502**

**Remember to sign and date your return before filing. Keep a copy of the return for your records.**