

2021 Oregon Income Tax Form OR-40 Instructions

Full-year Resident



Check out our online services

Revenue Online is a secure online portal that provides access to your tax account at any time. You can:

- Check the status of your refund.
- View and print letters from us.
- Make payments or schedule future payments.
- Securely communicate with us.
- Update your information.
- Check balances and view your account history.
- File an appeal.

Visit **www.oregon.gov/dor** and click on “Revenue Online” to sign up.

- **April 18, 2022** is the due date for filing your return and paying your tax due.
- **File electronically—it’s fast, easy, and secure.** See “Electronic filing.”
- **Find out if you qualify for the earned income credit.** See “Tax payments and refundable credits.”
- **Find out if you qualify for the working family household and dependent care credit.** See Schedule OR-WFHDC for details.
- **Are you a veteran?** Find out about veterans’ benefits at www.oregon.gov/odva.
- These instructions aren’t a complete statement of laws or Oregon Department of Revenue rules. If you need more information, see Publication OR-17 or contact us.

www.oregon.gov/dor

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Do you have questions or need help?

Internet

www.oregon.gov/dor

- Download forms, instructions, and publications.
- Access additional information not included in these instructions.

Revenue Online

www.oregon.gov/dor (click on Revenue Online)

- Securely communicate with us.
- Check your refund status.
- Make or schedule payments.
- View your account history.
- Find out how much you owe.
- File an appeal.
- View letters and your Form 1099-G, if applicable.

Phone

503-378-4988 or 800-356-4222

Monday–Friday, 7:30 a.m.–5 p.m.
Closed Thursdays from 9–11 a.m. Closed holidays.
Wait times may vary.

Contact us for ADA accommodations or assistance in other languages.

In person

Offices are located in Salem, Portland, Eugene, Bend, Gresham, and Medford. Find hours and directions to our offices on our website.

Our main office is located at:

955 Center St NE
Salem, OR 97301-2555

Email or write

questions.dor@dor.oregon.gov
preguntas.dor@dor.oregon.gov

Oregon Department of Revenue
955 Center St NE
Salem OR 97301-2555

- Include your name and daytime phone number.
- Include the last four digits of your SSN or ITIN.

To request printed forms or publications:

Forms
Oregon Department of Revenue
PO Box 14999
Salem OR 97309-0990

Photo on cover: Looking out to the Pacific Ocean from the Devil's Punchbowl near Newport, Oregon.

Electronic filing

E-filing is the fastest way to file your return and receive your refund. The speed and accuracy of computers allow electronic returns to be received and processed faster than paper returns, greatly reducing errors and delays. E-filing uses secure technology to ensure the safety of your personal information when it's sent to the IRS and the Department of Revenue.

Oregon participates in the IRS Federal/State E-file program. This program allows you to electronically file both your federal and Oregon returns at the same time. If you've already filed your federal return, you can still electronically file your Oregon return.

If you haven't tried e-file yet, why not this year? Join more than 1.8 million other Oregon taxpayers who electronically file their Oregon returns.

You can take advantage of e-file in one of two ways:

1. Ask your tax preparer.

If your tax preparer is an authorized IRS e-file provider, your preparer can electronically file your federal and Oregon returns. Many Tax-Aide and Tax Counseling for the Elderly (TCE) sites set up by the IRS are authorized IRS e-file providers.

2. Use online tax preparation software.

You can file your federal and state returns from your home, work, or library computer using Oregon-approved online tax preparation products. Go to our website at www.oregon.gov/dor/e-filing for a list of tax preparation products to use in preparing your federal and Oregon returns.

You may be eligible for free e-file. Several tax preparation software providers offer free online electronic tax filing. For free online tax preparation programs, go to www.oregon.gov/dor/e-filing.

Federal tax law

No extension to pay. Oregon doesn't allow an extension of time to pay your tax, even if the IRS allows an extension. Your 2021 Oregon tax is due **April 18, 2022**.

Federal law connection. Oregon has a rolling tie to changes made to the definition of federal taxable income, with the exceptions noted below. For all other purposes, Oregon is tied to federal income tax laws as amended and in effect on April 1, 2021.

Oregon exceptions to federal law. Oregon is disconnected from the business income deduction allowed by **Section 199A** of the Internal Revenue Code (IRC). Due to the way Oregon's returns are designed, no addition

is required. Oregon is also disconnected from **IRC Section 139A**, the tax exemption for federal subsidies for employer prescription drug plans. If you have this type of business income, you'll have an addition on your Oregon return.

Oregon is disconnected from **IRC Section 529** tax exemption for earnings on college savings plan funds used for K-12 tuition. Oregon College and MFS 529 Savings Plans may be used for higher education expenses only. If you based a previous subtraction or credit on contributions that are withdrawn and used for K-12 tuition, you'll have an addition or credit recapture on your Oregon return.

New information

Redesigned Oregon tax returns. Oregon's individual income tax returns and some supporting schedules and forms have been redesigned for tax year 2021. We have changed the layout of our forms to make them easier to be read by our scanning equipment. Our remaining forms and schedules will be redesigned within the next few years.

Federal tax liability subtraction. The 2021 federal tax subtraction limit is \$7,050 (\$3,525 for married filing separately). Your federal income tax subtraction may be reduced by any 2021 federal economic stimulus payments you received in 2021. It may be limited further based on your AGI. See instructions for line 10.

Kicker credit. Oregon's surplus credit, known as the "kicker," will be claimed as a credit on your 2021 tax return. See the instructions for line 36.

AmeriCorps educational award subtraction. A new subtraction is available for AmeriCorps volunteers who receive educational awards after completing a term of

national service. For more information, see Publication OR-17.

Recapture credits for Oregon 529 College Savings Network and ABLE account contributions. If you claim a credit based on your contributions to an Oregon College or MFS 529 Savings Plan account or an ABLE account and later use the funds for a non-qualified purpose, your credit(s) may have to be recaptured. For more information, see Publication OR-17.

Changes to qualified withdrawals from Oregon 529 College Savings Network accounts. Qualified withdrawals now include expenses related to apprenticeship programs and certain student loan payments. For more information, see Publication OR-17.

Data security breaches. Tax professionals suffering a data breach associated with tax return preparation must report the breach promptly to us. See our website for additional information.

Important reminders

Revenue Online. Revenue Online provides convenient, secure access to tools for managing your Oregon tax account. To set up your Revenue Online account, go to www.oregon.gov/dor and click on "Revenue Online."

Federal return. You must include a copy of your federal Form 1040 or 1040-SR and Schedules 1 through 3 (if applicable), 1040-X, or 1040-NR with your Oregon return. Without this information, we may disallow or adjust items claimed on your Oregon return.

Reminder: If you received unemployment benefits during the year, any benefits that aren't excluded are taxable income. If you owe tax on your 2021 benefits, consider having tax withheld from any future benefit payments to avoid owing tax for 2022.

Schedule OR-ASC. If you're claiming an addition, subtraction, credit, or credit recapture using a code listed in Publication OR-CODES, you must include Schedule OR-ASC with your return. Without this information, we may disallow or adjust your claim. Schedule OR-ASC and Publication OR-CODES are available at www.oregon.gov/dor/forms or you can contact us to order them.

Publication OR-17. See Publication OR-17 for more information about filing and personal income tax laws. It is available at www.oregon.gov/dor/forms.

General information

Do I need to file an Oregon return?

You need to file if your gross income is more than the amount shown below for your filing status.

Table 1. Filing thresholds

Amounts apply to full-year residents only.		
Your filing status is:	Number of boxes checked on line 17 of return:	And your gross income is more than:
Dependent	Any	\$1,100*
Single	0	\$6,590
	1	\$7,790
	2	\$8,990
Married filing jointly	0	\$13,175
	1	\$14,175
	2	\$15,175
	3	\$16,175
	4	\$17,175
Married filing separately	0	\$6,590
	1	\$7,590
	2	\$8,590
Head of household	0	\$8,265
	1	\$9,465
	2	\$10,665
Qualifying widow(er)	0	\$9,185
	1	\$10,185
	2	\$11,185

**The larger of \$1,100, or your earned income plus \$350, up to the standard deduction amount for your filing status.*

In addition, file a return if:

- You're required to file a federal return.
- You had \$1 or more of Oregon income tax withheld from your wages and you want to claim a refund.

How long will it take to get my refund?

Return processing times vary due to many factors, including the complexity of your return.

Electronically filed returns are generally received and processed faster.

Paper returns must have all required Oregon schedules, proof of tax withheld, and a copy of your federal return included to ensure smooth processing. If you

don't have a federal filing requirement, create a substitute return and check the "calculated using 'as-if' federal return" box on your return.

Returns mailed closer to April 18, when we receive the most returns, can take longer to process.

Also, returns that require additional review can take more time to process. Typical reasons for additional review include: incomplete documentation, identity verification needed, claiming the working family household and dependent care credit, proof of tax withheld needed, etc.

To check the status of your refund, click on "Where's my refund?" at www.oregon.gov/dor/personal.

What income does Oregon tax?

An Oregon resident is taxed on **all** income, including income from outside the state. A nonresident of Oregon is taxed only on income from Oregon sources.

Residency

Am I a resident, a nonresident, or a part-year resident?

- **You're a full-year Oregon resident**, even if you live outside Oregon, if **all** of the following are true:
 - You think of Oregon as your permanent home.
 - Oregon is the center of your financial, social, and family life.
 - Oregon is the place you intend to return.

• You're still a full-year resident if:

- You temporarily moved out of Oregon or
- You moved back to Oregon after a temporary absence.

You may also be considered a full-year resident if you spent more than 200 days in Oregon during 2021 or you're a nonresident alien, as defined by federal law.

- **You're a nonresident** if your permanent home was outside Oregon all year.
- **You're a part-year resident** if you moved into or out of Oregon during 2021. You're **not** considered a part-year resident if:

- You temporarily moved out of Oregon, or
- You moved back to Oregon after a temporary absence.

Special-case Oregon residents. If you're an Oregon resident and you meet **all** of the following conditions, you're considered a nonresident for tax purposes:

- You maintained a permanent home outside Oregon for the entire year.
- You didn't keep a home in Oregon during any part of the year.
- You spent less than 31 days in Oregon during the year.

Important. A recreational vehicle (RV) isn't considered a permanent home outside of Oregon.

Oregon residents living abroad. You're considered a nonresident if you're a qualified individual for purposes of the federal foreign earned income or housing exclusion for U.S. residents living abroad.

What form do I use?

Use Form OR-40 if you're a full-year Oregon resident.

Use Form OR-40-P if any ONE of the following is true:

- You're a part-year resident.
- You're filing jointly and one of you is a full-year Oregon resident and the other is a part-year resident.
- You're filing jointly and both of you are part-year Oregon residents.
- You qualified as an Oregon resident living abroad for part of the year.

Use Form OR-40-N if any ONE of the following is true:

- You're a nonresident.
- You're a special-case Oregon resident.
- You're filing jointly and one, or both, of you is a nonresident.
- You meet the military personnel nonresident requirements.
- You qualified as an Oregon resident living abroad for the entire year.

Forms OR-40, OR-40-P and OR-40-N can be found at www.oregon.gov/dor/forms or you can contact us to order it.

Military personnel

Nonresidents stationed in Oregon. Oregon doesn't tax your military pay while you're stationed in Oregon. File Form OR-40-N if you had other income from Oregon sources or to claim a refund of Oregon tax withheld from your military pay.

Military spouses. Federal law does not allow Oregon to tax your wages if you're in Oregon only to be with your spouse who is stationed in Oregon. If you're domiciled in Oregon and your spouse is a resident of another state, federal law allows you to choose to be treated for tax purposes as a resident of your spouse's state. File Form OR-40-N if you had other income from Oregon sources or are claiming a refund of Oregon tax withheld.

Residents (or Oregon-domiciled service members) stationed outside of Oregon. If you meet the requirements

for special-case Oregon residents or Oregon residents living abroad, file Form OR-40-N. File Form OR-40 if you don't meet those requirements.

Residents (or Oregon-domiciled service members) stationed in Oregon. Your pay is subject to tax, although the pay could qualify for certain subtractions. For more information on subtractions available to military personnel, see Publication OR-17.

Military personnel on active service in Oregon are treated as nonresidents for tax purposes if their address in the payroll records of the Defense Finance and Accounting System (DFAS) is outside Oregon, regardless of where they are domiciled (ORS 316.027).

Filing for a deceased person

A personal income tax return must be filed for a person who died if the person would have been required to file. See "Do I need to file?" on the previous page. Check the "Deceased" box next to the person's name on the return. If you have been appointed personal representative or you have filed a small estate affidavit, sign the return as "personal representative." A surviving spouse must sign if it's a joint return. If there's no personal representative, only the surviving spouse needs to sign a joint return.

Note: Oregon has an estate transfer tax on estates valued at \$1 million or more. The tax is paid by the estate using Form OR-706, not by the individuals receiving the inheritance. For more information, see the instructions for Form OR-706.

When should I file my return?

The filing deadline for calendar year 2021 is **April 18, 2022**. If you can't pay your tax by the due date, it's important to file your return anyway to avoid a late-filing penalty.

Returns for fiscal filers are due by the 15th day of the fourth month after the close of their tax year.

What if I need more time to file?

If you requested a federal extension to file, Oregon will allow the same extension. Don't include a copy of your federal extension with your Oregon return; keep it with your records. If you need an extension of time to file only your Oregon return, see Publication OR-40-EXT.

An extension doesn't mean more time to pay.

To avoid interest charges, you must pay all of the tax you expect to owe by April 18, 2022. If you can't pay all of the tax you expect to owe, pay what you

can. You'll owe interest on any unpaid tax starting April 19, 2022 until the date of your payment. You may also be charged a penalty for failing to pay your tax on time. See "Penalties" and the instructions for line 41.

Don't forget to check the "Extension filed" box on your return when you file.

Penalties

If you don't pay all of your tax by April 18, 2022, you may be charged a 5 percent penalty on the unpaid amount, even if you requested an extension to file your return. Oregon doesn't allow an extension of time to pay tax, even if the IRS does.

You'll be charged a 20 percent penalty for failing to file your return if you file it more than three months after the due date, including extensions. If both penalties apply, the total penalty will be 25 percent of the unpaid tax.

Note: If you fail to file returns for three consecutive years by the due date for the third year's return, including extensions, you'll be charged a penalty of 100 percent of each year's unpaid tax.

For more information about these and other penalties, see the instructions for line 41 and "Interest and Penalties" in Publication OR-17.

2022 estimated tax

Estimated tax is the amount of tax (after credits and Oregon tax withheld) you expect will be shown on your return when you file.

Oregon estimated tax laws are not the same as federal estimated tax laws. For more information on how to calculate your estimated payments for Oregon, see Publication OR-ESTIMATE. Vouchers for estimated payments are available at www.oregon.gov/dor/forms.

Do I need to make estimated payments?

In most cases, if you expect your return to show that **you will owe \$1,000 or more in tax** after credits and withholding you **must** make estimated payments. You may need to make estimated payments if:

- You're self-employed and don't have Oregon tax withheld from your income.
- You have Oregon Lottery single-ticket winnings of less than \$1,500.
- Oregon tax isn't withheld from other types of income (such as pensions, interest, or dividends) and you expect to owe tax of \$1,000 or more.
- You're a wage earner but after withholding you still expect to owe tax of \$1,000 or more on your 2022 return. You may want to increase the amount your employer

withholds from your Oregon wages. For withholding information, go to www.oregon.gov/dor/personal.

See Publication OR-ESTIMATE for more information, including:

- Detailed instructions for calculating installment payments.
- Tax rate charts for 2022.
- Installment periods and due dates.
- Helpful worksheets and examples.
- Payment instructions.

Download Publication OR-ESTIMATE from our website or you can contact us to order it.

Interest on underpayment of estimated tax

You may owe interest for underpaying your estimated tax if:

- The tax on your return after credits and withholding is \$1,000 or more; or
- You underpaid one or more of your required estimated tax installments.

See the instructions for line 42 and Form OR-10 Instructions for more information.

What if I'm self-employed?

If you're self-employed and do business in **Multnomah, Clackamas, or Washington counties**, you may need to file Form OR-TM. If you're self-employed and do business in **Lane County**, you may need to file Form OR-LTD. Go to our website to download the forms, contact us to order either form, or file electronically through Revenue Online at www.oregon.gov/dor.

What if I need to change my Oregon return after filing?

It depends on what you need to change. Follow these instructions for amending (changing) your return if:

- You discover that your income, deductions, or other item(s) were wrong.
- You used a form that didn't match your residency status.
- Your filing status wasn't correct.
- The IRS or another state adjusted or audited your return and it affects your Oregon tax.
- You have a net operating loss (NOL) carryback.
- Changes in federal or state income tax laws affect a return you've already filed.

Don't amend your Oregon return if:

- We made changes to your return and you object to those changes. You must follow the appeal process in the notice we sent you.
- You're filing a protective claim for a refund. Use Form OR-PCR, which is available on our website or you can contact us to order it.

There's a time limit for filing an amended return. See the instructions for lines 45 through 49, and for more information, see "Amended returns" in Publication OR-17.

How do I amend my 2021 return?

General instructions

- Complete the return as it should've been filed, including adjustments we made.
- Check the "Amended return" box on the first page.
- In the "Amended statement" space, provide the return line number and reason for each change.
- Use the **Amended worksheet**, below, to figure your amended tax due or refund.
- If you're amending your federal return or a return you filed with another state, include a copy of those amended returns with your amended Oregon return. If you're only amending your Oregon return, include a copy of your original federal return. **Don't** include a copy of your original Oregon return.

Residency. Use the form that matches your residency status for the year you're amending, even if your original return was filed on a different form.

Adjustment made by the IRS or another state. Include a copy of the **corrected** federal or other state return or audit report.

Electronically file your amended return. You can now electronically file your Oregon amended return, if your chosen software supports filing a federal amended return. You will need to contact your software provider to find out if they support filing a federal amended return.

NOL carryback. Enter the loss year in the NOL-year box on the first page of the return. If you're carrying back an NOL from more than one year, file a separate amended return for each NOL year. In the "Amended statement" space, tell us the section number of the Internal Revenue Code that allows you to carry back the NOL(s) to the 2021 tax year. See "Net operating losses for Oregon" in Publication OR-17 for more information.

What if I need to change a return I filed for an earlier year?

Refer to the instructions for the tax year you need to amend. Visit our website or you can contact us if you need the form and instructions for a different year.

How long will it take to process my amended return?

It may take six months or longer to process your amended return.

Amended worksheet

Use this worksheet to figure your amended refund or tax to pay. Keep the completed worksheet with your records. **Note:** If we adjusted any of the amounts on your original 2021 return, use the **adjusted** amounts.

1. Amended tax after standard, carryforward credits, and credit recapture (amended Form OR-40, line 31). 1. _____
2. Amended total payments and refundable credits (amended Form OR-40, line 38). 2. _____
3. Line 1 minus line 2. If less than 0, use a minus sign. 3. _____
4. Refund you already had for 2021 (original Form OR-40, line 45; Form OR-40-N, line 71; or Form OR-40-P, line 70). If you didn't have a refund, enter 0. 4. _____
5. **Amended tax to pay or refund.** Line 3 plus line 4. If less than 0, you have a refund; go to line 6. If more than 0, you owe tax; skip to line 8. 5. _____
Example: If line 5 is -\$500, you may apply up to \$500 on your amended Form OR-40, lines 46 through 49.
6. Refund applications that weren't on your original return (amended Form OR-40, lines 46 through 49), up to the refund amount on line 5. Don't use a minus sign. 6. _____
7. **Net amended refund.** Line 5 plus line 6. This can't be more than 0. 7. _____
8. Penalty and interest on amended tax to pay (amended Form OR-40, line 43). 8. _____
9. **Total amount to pay** with your amended return. Line 5 plus line 8. 9. _____

General instructions for Form OR-40

Step 1: Complete your federal return

Complete your federal return first. Do this even if you aren't required to file a federal return. You must use the information from your federal return to complete your Oregon return. You must include a copy (front and back) of your federal Form 1040 or 1040-SR with Schedules 1 through 3 (if applicable), or 1040-NR with your Oregon return. If you're amending your Oregon return and your federal return, include a copy of Form 1040-X and an amended Form 1040 or 1040-SR with Schedules 1 through 3 (if applicable).

If you don't provide a copy of your federal return, we may adjust or deny your Oregon subtractions, deductions, and credits. **Include** federal Schedules 1 through 3 (if applicable); **don't include** any other federal schedules unless otherwise instructed. We may ask you for copies of other schedules or additional information later.

Oregon same-sex registered domestic partners (RDPs): To correctly determine your Oregon tax liability, you must complete a federal income tax return as if you were filing as married filing jointly or married filing separately. Check the "Calculated using 'as if federal return'" box on your Oregon return.

For more information on how to file as an RDP, go to www.oregon.gov/dor and search for "RDP."

Step 2: Select the appropriate Oregon form

To decide which form to use, see "What form do I use?" in the "General information" section.

Step 3: Fill out the Oregon return

Use blue or black ink only for easier reading and faster processing. The equipment used to scan documents and checks can't read gel ink or certain colors, and using them will delay the processing of your return.

Fiscal-year filers

Write the ending date of your fiscal year in the "Fiscal year ending" box on the return.

Check the boxes

Amended return

If you're amending your 2021 return, check this box. See "What if I need to change my return after filing?" in the "General information" section for instructions.

Calculated using "as if" federal return

Check this box if:

- You're filing as an Oregon RDP.
- Your filing status is married filing separately for Oregon only because you and your spouse don't have the same residency status.
- You didn't file a federal return.

Short-year tax election

If you're filing a short-year return due to a **bankruptcy**, check this box and write the ending date in the "Fiscal year ending" box.

Extension filed

Check this box if you requested an extension to file your return. See "What if I need more time to file?" in the "General information" section and Publication OR-40-EXT for more information.

Form OR-24—Like-kind property exchange or conversions

Check this box if you're deferring gain on like-kind property that was exchanged or converted. You will report the gain to Oregon when it's reported on your federal return (federal Form 8824). You must include Form OR-24 with your Oregon return or provide it electronically through your Revenue Online account at www.oregon.gov/dor.

Federal Form 8379

Check this box if you're requesting your joint refund be apportioned and you are attaching federal Form 8379. For additional information, see "Injured spouse refund claims" in Publication OR-17.

Federal Form 8886

Check this box if you filed federal Form 8886, *Reportable Transaction Disclosure Statement*.

Disaster relief

If you were affected by a presidentially-declared natural disaster in 2021, check this box.

Name and address

Type or clearly print names, Social Security numbers (SSN), and dates of birth for you and your spouse. **Enter your spouse's information even if you're filing as married filing separately.** If you're filing for someone who died in 2021 or 2022, check the "Deceased" box next to their name.

Enter your **current mailing address**. This is where we'll send any refund or correspondence, if needed. Enter your current daytime phone number.

Date of birth. Enter the month, day, and year that you and your spouse were born. For example, “11/01/1978.”

SSN. You must provide your SSN per Section 405, Title 42, of the United States Code. We will only use it to establish your identity for tax purposes.

Follow these instructions if you’ve filed previous tax returns using an individual taxpayer identification number (ITIN) and this is your first year filing using your new SSN:

- Check the “First time using this SSN” box.
- Write your previous identification number on the first line of the “Amended statement” space on page 8 of your return.

ITIN. If the IRS assigned you an ITIN because you don’t qualify for an SSN, enter your ITIN wherever an SSN is requested. **Refunds will not be issued without a valid SSN or ITIN.**

If you don’t have an ITIN, you must request one from the IRS. To get an ITIN application (federal Form W-7), go to www.irs.gov or call 800-829-1040.

If you’ve applied for an ITIN but you haven’t received it yet:

- Check the “Applied for ITIN” box.
- File your return by April 18, 2022.
- Don’t include Form W-7 with your return. Keep it with your records.
- Once the IRS issues your ITIN, mail a copy of your ITIN letter to us at PO Box 14999, Salem OR 97309-0990.

Filing status

1 – **5** Check the box next to your filing status. Generally, you must use the same filing status for your Oregon and federal returns. Choose only **one** filing status.

Exception for Oregon RDPs. As an Oregon RDP, you’re not eligible to use the single filing status on your Oregon return. For Oregon, you’re generally **required** to use married filing jointly or married filing separately. For more information, go to our website, see “Filing an Oregon return” in Publication OR-17, or contact us.

Exceptions for married persons who filed a joint federal return when each person had a different residency status. Use this table to determine which return form to use if you file a joint return or separate returns for Oregon.

Table 2. Spouses with different residency status

Spouses’ residency status:	If you file a joint return, use:	If you file separate returns:
Part-year and nonresident	OR-40-N	Each spouse uses the form that matches their individual residency status
Nonresident and full-year resident	OR-40-N	
Part-year and full-year resident	OR-40-P	

How to file separate returns for Oregon

If you’re filing a joint federal return but separate Oregon returns, enter your spouse’s name, SSN, and date of birth on your return. Report your own share of federal AGI and deductions. Also, report your share of any Oregon additions or subtractions using this formula to determine your percentage:

$$\frac{\text{Your share of federal AGI}}{\text{Joint federal AGI}} = \text{Your percentage (not to exceed 100\%)}$$

Check the “Calculated using ‘as if’ federal return” box on your return. You must include the following forms with **both** Oregon returns:

- A federal Form 1040 or 1040-SR with Schedules 1 through 3 (if applicable), or 1040-NR prepared as if you had filed as married filing separately.
- A copy of the joint Form 1040 or 1040-SR with Schedules 1 through 3 (if applicable), or 1040-NR that you actually filed with the IRS.

If the federal form you filed is an amendment, include Form 1040-X and federal returns as amended for your actual and “as if” returns.

If possible, mail both spouses’ Oregon returns in the **same** envelope. **Don’t** staple the returns together.

For more information, see “Filing status” in Publication OR-17.

Exemptions

6a & 6b **Yourself and spouse.** If you can’t be claimed as a dependent on someone else’s return, check the “Regular” exemption box below line 6a; otherwise, check the “Someone else can claim you as a dependent” box, even if the other person doesn’t actually claim you as a dependent.

Check the “Regular” exemption box below line 6b if no one else can claim your spouse as a dependent and you’re filing as:

- Married filing jointly.
- Married filing separately and your spouse has no income.

Otherwise, check the "Someone else can claim you as a dependent" box, even if the other person doesn't actually claim your spouse as a dependent.

Severely disabled. Did you or your spouse have a severe disability at the end of 2021? If so, you can claim an additional exemption. This is different from the disabled child exemption. You may qualify for and claim the severely disabled exemption even if someone else can claim you as a dependent. You're considered to have a severe disability if **any** of the following apply:

- You permanently lost the use of one or both feet.
- You permanently lost the use of both hands.
- You're permanently blind.
- You have a permanent condition that, without special equipment or outside help, limits your ability to earn a living, maintain a household, or transport yourself.
- You're unable to earn a living due to a permanent condition or an impairment of indefinite duration.

If you have a severe disability, your physician must write a letter describing it. Keep the letter with your records in case we request a copy.

If you qualify, check the "Severely disabled" exemption box below line 6a. If your spouse qualifies, check the "Severely disabled" exemption box below line 6b.

Total exemptions for you and spouse. Enter the total number of exemptions claimed for yourself on line 6a and for your spouse on line 6b.

6c All dependents. Enter your dependents' information in order from youngest to oldest. For each dependent, list their first name, last name, relationship code (see Table 3), SSN, and date of birth. In most cases, you will list the same dependents you claimed on your federal return.

If you have more than three dependents, check the box and fill out Schedule OR-ADD-DEP with your remaining dependents. Don't list the same dependents on your return and Schedule OR-ADD-DEP. Include Schedule OR-ADD-DEP with your return. You can download Schedule OR-ADD-DEP from our website or you can contact us to order it. If you have more than eight dependents, fill out and include an additional Schedule OR-ADD-DEP.

On line 6c, enter the total number of your dependents, including the number from line 1 of Schedule OR-ADD-DEP.

Table 3. Relationship codes

Title	Code	Relationships included
Son/Daughter	SD	Son, daughter, adopted child.
Stepchild	SC	Stepson, stepdaughter.
Foster child	FC	Foster child.
Sibling	SB	Brother, sister, half-brother, half-sister, stepbrother, stepsister, brother-in-law, sister-in-law.
Parent	PT	Father, mother, stepfather, stepmother, father-in-law, mother-in-law.
Spouse	SP	Husband, wife.
Grandparent	GP	Grandmother, grandfather.
Grandchild	GC	Grandson, granddaughter.
Aunt/Uncle	AU	Aunt, uncle.
Niece/Nephew	NN	Niece, nephew.
Other relative	OR	Son-in-law, daughter-in-law, cousin, and other related individuals not listed above.
No relation	NR	Any other qualifying individual.

6d Children with a disability. You may be entitled to an additional personal exemption for your dependent child who has a qualifying disability. To qualify, **all** of the following must be true:

- Your child (age 21 or younger) qualified as your dependent for 2021.
- Your child was eligible for early intervention services or special education as defined by the State Board of Education of the state where the child attends school.
- Your child had an eligible disability as of December 31, 2021 under the federal Individuals with Disabilities Education Act. Eligible disabilities include:
 - Autism spectrum disorder.
 - Communication disorder.
 - Deafblindness.
 - Developmental delay.
 - Emotional disturbance.
 - Hearing impairment.
 - Intellectual disability.
 - Orthopedic impairment.
 - Other health impairment.
 - Specific learning disability.
 - Traumatic brain injury.
 - Visual impairment.

Each year, you must be able to provide an eligibility statement confirming that your child has been diagnosed with one of the disabilities listed above **and** a cover sheet from one of the following:

- The child’s Individualized Education Program (IEP).
- The child’s Individualized Family Service Plan (IFSP).

Keep the statement and cover sheet with your records. Check the “Check if child has a qualifying disability”

box next to the name of each child with a qualifying disability. Enter the total number of children with a qualifying disability, including the number of children on line 2 of Schedule OR-ADD-DEP, on line 6d.

6e Total exemptions. Add lines 6a through 6d and enter the total on line 6e. This is your total number of exemptions.

Form OR-40 line instructions

Don't enter cents. You **must** round off cents to the nearest dollar. For example, \$99.49 becomes \$99, and \$99.50 becomes \$100. If you don't round entries to the nearest dollar, there may be small variations in the totals we use.

7 Federal adjusted gross income (AGI). Enter your federal AGI from Form 1040, 1040-SR or 1040-NR, line 11; or Form 1040-X, line 1C. **You must include a copy (front and back) of your federal return, including Schedules 1 through 3 (if applicable), with your Oregon return.** This helps us verify your income and process your return faster. **If you don't include your federal return with your Oregon Form OR-40, items claimed on your return may be adjusted or denied.**

Additions

8 Total additions from Schedule OR-ASC. Enter the total from Schedule OR-ASC, Section A. **Include the schedule with your return.**

For more information about additions, see the Schedule OR-ASC and OR-ASC-NP Instructions or "Additions" in Publication OR-17.

Subtractions

10 2021 federal tax liability subtraction. Complete the following worksheet to determine your **federal tax liability** subtraction for 2021. Carefully follow the instructions. Don't confuse your **federal tax liability** on your federal return with the **federal tax withheld** on a Form W-2. They aren't the same. **RDPs and those filing as "married filing separately for Oregon only,"** use amounts from your actual federal return(s), **not** your "as if" return.

The federal tax liability subtraction limit for 2021 is \$7,050 (\$3,525 if married filing separately). The subtraction is further limited by the AGI phase-outs shown in Table 5.

Note: Use the worksheet(s) in the "Federal income tax liability" section of Publication OR-17 if any of these situations apply:

- You're amending your 2021 federal return or we corrected the federal tax liability subtraction on your original 2021 Oregon return.
- A prior year's federal return was audited or amended, resulting in additional federal tax paid or refunded in 2021.
- You paid income tax to a foreign country.
- You filed your federal return on Form 1040-NR.
- You reported recapture taxes or credits on your federal return.

Caution: Don't include any of the following in your calculation:

- Self-employment tax.
- Social Security and Medicare tax on tips.
- Household employment taxes.
- Penalties or interest.

Federal tax worksheet

Note: All references to federal 1040 in this worksheet also includes references to Forms 1040-SR and 1040-NR, unless otherwise indicated. This also includes the Spanish versions of these forms.

Part A: Instructions for Federal tax liability subtraction worksheet

Line 1: Enter your federal tax liability after nonrefundable credits but before other taxes. This is found on Form 1040, line 22.

Line 2: Do you qualify for the refundable child tax credit (CTC)?* If so, enter the amount of your nonrefundable CTC, if any, from Form 1040, line 19. Otherwise, enter \$0.

Line 3: Add lines 1 and 2.

Line 4: Do you have to repay some of the advance premium tax credit that you received during the year? If so, enter your excess advance premium tax credit repayment. This is found on Form 1040, Schedule 2, line 2. Otherwise, enter \$0.

Line 5: Line 3 minus line 4. If the result is less than zero, enter \$0.

Line 6: Enter the total of any other taxes, plus any additions to tax that include only income tax, such as tax credit recaptures, from Form 1040, Schedule 2, lines 8, 10,* 16, and 17. Include any tax on non-effectively connected income from Form 1040-NR, line 23a. **Don't** include any additions to tax from Schedule 2, line 17 that are penalties, interest, excise tax, or other amounts that aren't income tax. If you have no other taxes, enter \$0.

Line 7: Add lines 5 and 6.

Line 8: If you qualify for the refundable CTC*, enter the amount from Schedule 8812, line 14e. Otherwise, enter 0. This is your allowable CTC, including any nonrefundable amount for other dependents, regardless of any advance amount that must be paid back or the amount of refundable credit you're claiming on your federal return.

Line 9: Enter your American opportunity credit from Form 1040 or 1040-SR, line 29.

Line 10: Enter any **2021** federal economic stimulus payments you received in 2021 plus your recovery rebate credit, if any, from Form 1040 or 1040-SR, line 30. Refer to your IRS Notice 1444-C for the amount of stimulus payments you received in 2021.

Line 11: Enter your total premium tax credit amount from federal Form 8962, line 24. This is your allowable premium credit regardless of any excess advance payments you received or credit you're claiming on your federal return.

Line 12: Enter your credit for child and dependent care expenses from Form 1040, Schedule 3, line 13g.

Line 13: Add lines 8 through 12.

Line 14: Line 7 minus line 13. If less than zero, enter \$0. This is your federal income tax liability after refundable credits (other than the EITC).

Line 15: Enter your maximum allowable federal tax liability subtraction amount from Table 8. Don't enter more than your limit or less than zero.

Line 16: Enter the smaller of line 14 or line 15. This is your federal tax liability subtraction.

1. Federal tax liability (Form 1040 line 22). 1. _____
2. Nonrefundable CTC* (Form 1040, line 19) 2. _____
3. Line 1 plus line 2. 3. _____
4. Excess advance premium tax credit from Form 1040, Schedule 2, line 2. 4. _____
5. Line 3 minus line 4. (If less than \$0, enter 0). 5. _____
6. Other taxes (see instructions). 6. _____
7. Line 5 plus line 6. 7. _____
8. Child tax credit* (Schedule 8812, line 14e). 8. _____
9. American Opportunity credit (Form 1040, line 29). 9. _____
10. Economic stimulus payments and recovery rebate credit (see instructions). 10. _____
11. Premium tax credit (Form 8962, line 24.) 11. _____
12. Credit for child and dependent care expenses (Form 1040, Schedule 3, line 13g). 12. _____
13. Add lines 8 through 12. 13. _____
14. Line 7 minus line 13. (If less than \$0, enter 0). 14. _____

15. Maximum subtraction amount from Table 5. 15. _____
16. Smaller of line 14 or line 15. This is your federal tax liability subtraction. 12. _____

** The refundable CTC is not the same as the additional child tax credit (ACTC) for tax year 2021. You're claiming the refundable CTC only if you checked one of the boxes on Schedule 8812, line 13, and if the amount on Schedule 8812, line 14e is more than the amount on Schedule 8812, line 14h.*

***Did you file federal Form 5405? If you are required to repay your 2008, 2009, or 2010 first-time homebuyer credit because you disposed of your home or stopped using it as your main home, include the amount reported on your federal 1040, Schedule 2, line 10 on line 4 of the worksheet above. Don't add this amount if you are repaying your 2008 credit and still live in your qualifying home as your main residence.*

Are you amending your 2021 return? Usually you can't change your federal tax subtraction on your amended return. See the "Federal income tax liability" section in Publication OR-17 for more information before making changes to this subtraction.

Table 5. Federal tax liability subtraction AGI phaseout

If your filing status is:	And your federal adjusted gross income is:		Then your maximum allowable tax liability subtraction is:
	At least—	But less than—	
Single	0	\$125,000	\$7,050
	\$125,000	\$130,000	\$5,650
	\$130,000	\$135,000	\$4,200
	\$135,000	\$140,000	\$2,800
	\$140,000	\$145,000	\$1,400
	\$145,000 or more		0
Married filing separately	0	\$125,000	\$3,525
	\$125,000	\$130,000	\$2,825
	\$130,000	\$135,000	\$2,100
	\$135,000	\$140,000	\$1,400
	\$140,000	\$145,000	\$700
	\$145,000 or more		0
Married filing jointly; or Head of household; or Qualifying widow(er)	0	\$250,000	\$7,050
	\$250,000	\$260,000	\$5,650
	\$260,000	\$270,000	\$4,200
	\$270,000	\$280,000	\$2,800
	\$280,000	\$290,000	\$1,400
	\$290,000 or more		0

11 Social Security and tier 1 Railroad Retirement Board benefits income. Enter the amount from federal Form 1040 or 1040-SR, line 6b. If you have tier 2, windfall/vested dual, or supplemental Railroad Retirement Board benefits, these are subtracted in Section B of the Schedule OR-ASC, using code 330. For more information, see this topic under “Income” in Publication OR-17.

12 Oregon income tax refund included in federal income. Enter your Oregon state income tax refund from federal Form 1040 or 1040-SR, Schedule 1, line 1. **Don’t include local, county, or other states’ tax refunds.**

13 Total subtractions from Schedule OR-ASC. Other subtractions not explained here are claimed on Schedule OR-ASC. Enter the total from Schedule OR-ASC, Section B. **Include the schedule with your return.**

For more information about subtractions, see the Schedule OR-ASC and OR-ASC-NP Instructions or “Subtractions” in Publication OR-17.

Deductions

In general, you can claim Oregon itemized deductions or the standard deduction, whichever is larger, **but not both.**

See the exceptions below for:

- Dependents who can be claimed on another taxpayer’s return.
- Nonresident aliens.
- Spouses filing separate returns.

16 Itemized deductions. If you’re itemizing your deductions for Oregon, enter the amount from Schedule OR-A, line 23. **Note: Don’t** enter your federal itemized deductions; the amount allowed for Oregon may be different. You can download Schedule OR-A and instructions from our website or you can contact us to order it.

If you’re not itemizing, enter 0.

17 Standard deduction. Generally, your standard deduction is based on your filing status, as shown in Table 6:

Table 6. Standard deduction

Single	\$2,350
Married filing jointly	\$4,700
Married filing separately	
• If spouse claims standard deduction	\$2,350
• If spouse claims itemized deductions	0
Head of household	\$3,780
Qualifying widow(er)	\$4,700

Standard deduction—Age 65 or older, or blind. If you or your spouse turned age 65 by January 1, 2022 or were blind at the end of the tax year, you’re entitled to a larger standard deduction. If you or your spouse are permanently blind, you may also qualify for the severely disabled exemption credit; see the instructions for lines 6a and 6b.

Check the applicable boxes below line 17, then multiply the number of boxes checked by:

- \$1,200 if single or head of household filing status; or
- \$1,000 for all other filers.

Add this amount to the standard deduction for your filing status from Table 6. Enter the total on line 17.

Example: Joni and Mike are married. By January 1, 2022, Joni had turned 61 and Mike had turned 67. Joni files the return as the primary taxpayer. She checks the box for spouse age 65 or older and adds \$1,000 to their standard deduction. Joni enters \$5,700 (\$4,700 + \$1,000) on line 17.

Standard deduction—Dependents who can be claimed on another taxpayer’s return. If someone else can claim you as a dependent, your standard deduction is limited to the **larger** of:

- Your earned income plus \$350, up to the maximum allowed for your filing status (see Table 6); or
- \$1,100.

This limit applies even if the other person doesn’t actually claim you as a dependent on their return.

If you’re a dependent and not married, use the following worksheet to figure your standard deduction. If you’re a dependent and married, see “Deductions and modifications” in Publication OR-17.

Standard deduction worksheet for single dependents

1. Enter your earned income (see definition below). 1. _____
2. Additional \$350. 2. \$350
3. Add lines 1 and 2. 3. _____
4. Minimum standard deduction. 4. \$1,100
5. Enter the larger of line 3 or line 4. 5. _____
6. Basic standard deduction for single. 6. \$2,350
7. Enter the smaller of line 5 or line 6. 7. _____
8. If you turned age 65 by 1/1/2022, enter \$1,200. Otherwise, enter 0. 8. _____

9. If you're blind, enter \$1,200. Otherwise, enter 0. 9. _____
10. Add lines 7, 8, and 9. This is your standard deduction. 10. _____

Earned income includes salaries, wages, tips, professional fees, or other amounts received as pay for work you actually performed, and any part of a scholarship or fellowship grant you received that is included in your gross income.

Standard deduction—Nonresident aliens. The standard deduction for nonresident aliens (as defined by federal law) is 0.

Standard deduction—Married filing separately. The standard deduction for married individuals filing separately is 0 if one spouse itemizes. This applies even if the standard deduction is more than your itemized deductions.

Oregon tax

20 Tax tables. Use the **tax tables** to find your tax if your taxable income on line 19 is less than \$50,000. Find the range for your taxable income, then locate your tax in Column S or Column J:

- Use Column S if your filing status is single or married filing separately.
- Use Column J if your filing status is married filing jointly, head of household, or qualifying widow(er) with dependent child.

Tax rate charts. If your taxable income on line 19 is \$50,000 or more, calculate your tax using the formula in the **tax rate chart** for your filing status.

- Use Chart S if your filing status is single or married filing separately.
- Use Chart J if your filing status is married filing jointly, head of household, or qualifying widow(er) with dependent child.

Example 1: Emily, a single taxpayer, has taxable income of \$19,525. She uses Column S in the tax tables to find the tax on income that is at least \$19,500 but less than \$19,600. Emily enters \$1,454 on line 20.

Example 2: Daniel and Madison are filing a joint return. Their Oregon taxable income is \$75,500. They use the formula in Chart J to calculate their tax as follows:

Tax on the first \$50,000 (from the chart)	\$3,861
Oregon taxable income	\$75,500
Minus the first \$50,000	– 50,000
Excess over \$50,000	\$25,500
Multiply excess by 8.75%	x 0.0875
Tax on excess over \$50,000	+ \$2,231
Total Oregon tax	\$6,092

Other tax methods. If you qualify, you can compute your Oregon tax using any of the following methods:

Farm income averaging method. Did you have income from a farm? You may use the federal farm income averaging method to compute your Oregon tax even if you didn't use farm income averaging on your federal return. Download Schedule OR-FIA-40 from our website or you can contact us to order it.

If you use Schedule OR-FIA-40 to calculate your tax, enter the tax amount from Schedule OR-FIA-40, line 24 and check box 20a. Don't include Schedule OR-FIA-40 with your return. Keep it with your records.

Farm asset capital gain method. Did you sell or exchange capital assets primarily used in farming because you were getting out of a farming business? Or, did you sell or exchange a farming business in which you held at least a 10 percent ownership interest? If so, you may be eligible for a reduced tax rate on the net capital gain from the proceeds. Download Publication OR-FCG from our website or you can contact us to order it.

Enter the tax amount from Publication OR-FCG, line 9 and check box 20b. Don't include Publication OR-FCG with your return. Keep it with your records.

Oregon qualified business income reduced tax rate. Did you have business income from a sole proprietorship, partnership, or S corporation in which you materially participated? If so, you may qualify to use this reduced tax rate. For details, see Schedule OR-PTE-FY on our website or you can contact us to order it.

Note: If you elect to use this reduced tax rate for qualifying income, the election is irrevocable and must be made on your original return. An original return includes an amended return filed on or before the due date, including extensions. **You can't change the election after your original return has been filed.**

If you use Schedule OR-PTE-FY to calculate your tax, enter the tax amount from Schedule OR-PTE-FY, line 14a and check box 20c. Include the schedule with your Oregon return or submit it at www.oregon.gov/dor; click the link for Revenue Online and log in or create an account.

21 Interest on certain installment sales. Did you have installment sales that required you to pay interest on the deferred tax liability for federal purposes? If so, you must also compute interest for Oregon using the same method as for federal. The annual interest rate is 4 percent for 2021 and 2022.

Credits—Nonrefundable

Nonrefundable credits can't be more than your Oregon tax liability. **Carryforward credits** allow you to claim unused amounts in a later year. **Standard credits** can't be used in any other year. For more information about these and other nonrefundable credits, see the Schedule OR-ASC and OR-ASC-NP Instructions or "Credits" in Publication OR-17.

23 Exemption credit. If your federal AGI is more than \$200,000 (\$100,000 if your filing status is single or married filing separately), enter 0; otherwise, use this worksheet to figure your exemption credit.

Exemption credit worksheet

- | | |
|---|----------|
| 1. If your federal AGI is more than \$100,000 and your filing status is single or married filing separately, or more than \$200,000 for all others, enter 0; otherwise, enter the number of "regular" exemptions from lines 6a and 6b plus the number of dependents from line 6c. | 1. _____ |
| 2. If your federal AGI is more than \$100,000, enter 0; otherwise, enter the number of "Severely disabled" exemptions from line 6a and 6b. | 2. _____ |
| 3. If your federal AGI is more than \$100,000, enter 0; otherwise, enter the number of exemptions for children with a qualifying disability from line 6d. | 3. _____ |
| 4. Add lines 1, 2, and 3. | 4. _____ |
| 5. Line 4 times \$213. This is your exemption credit. | 5. _____ |

24 Political contribution credit. If your federal AGI isn't more than \$75,000 (\$150,000 if you're filing a joint return), you may claim a standard credit of up to \$50 (\$100 if you're filing a joint return) for cash contributions you made during 2021 to any:

- Qualified political party.

- Qualified candidate for federal, state, or local elective office, or the candidate's campaign, for an election in Oregon.
- Political action committee certified in Oregon.

25 Total standard credits from Schedule OR-ASC. All other standard credits are claimed on Schedule OR-ASC. Enter the total of your standard credits from Section C of the schedule. **Include Schedule OR-ASC with your return.**

28 Total carryforward credits from Schedule OR-ASC. All carryforward credits are claimed on Schedule OR-ASC. Enter your total carryforward credits from Section D of the schedule. **Include Schedule OR-ASC with your return.**

30 Total credit recaptures from Schedule OR-ASC. All credit recaptures are claimed on Schedule OR-ASC. Enter your total credit recaptures from Section E of the schedule. **Include Schedule OR-ASC with your return.**

Tax payments and refundable credits

32 Oregon income tax withheld. Enter the total Oregon tax withheld from your wages and other income. State tax withheld from wages is shown in box 17 of Form W-2 and in the State area of various 1099 forms. **Don't** include FICA (Social Security) tax withheld or tax withheld from your wages by other states. **You must include a legible, unaltered copy** of your Form W-2 from each job and any Form 1099 showing Oregon income tax withheld with your Oregon return.

If you don't have a Form W-2 or 1099, you must provide other proof of Oregon tax withheld. Proof may include a copy of a final paycheck stub or a letter from your employer. If you file before February 1, 2022, we can only accept a Form W-2 or 1099 as proof.

If you have tax to pay, you may want to increase the amount your employer or other payer withholds from your wages. For withholding information, go to www.oregon.gov/dor/personal.

33 Amount applied from your prior year's tax refund. Enter the amount of any prior-year refund you applied as a payment of 2021 estimated tax. If we adjusted your applied refund, be sure to use the adjusted amount. If you need to verify your applied refund amount, log into or create your Revenue Online account at www.oregon.gov/dor or contact us.

34 Estimated tax payments for 2021. Enter the total estimated tax payments you made before filing your 2021 Oregon return. For calendar-year filers, these

payments were due April 15, 2021; June 15, 2021; September 15, 2021; and January 18, 2022. **Include all** payments you made up to the date you filed your original or amended return. **Don't include** the amount reported on line 33. If you need to verify your estimated payments, log into or create your Revenue Online account at www.oregon.gov/dor or contact us.

Refundable credits

Refundable credits reduce the amount of tax that you owe. Any amount that is more than your tax liability is treated the same way as an overpayment. Refundable credits not explained here are claimed on Schedule OR-ASC.

For more information about refundable credits, see the Schedule OR-ASC and OR-ASC-NP Instructions or "Credits" in Publication OR-17.

35 Earned income credit. Oregon's earned income credit is a percentage of the earned income tax credit (EITC) claimed on your federal return. The percentage is based on the age of your **youngest** dependent at the end of the tax year. You may claim the Oregon earned income credit **only** if you qualify for the federal EITC. **Note to RDPs:** You may claim this credit if you would otherwise qualify for the EITC using your "as if" federal return.

Use Table 7 and the following worksheet to figure your credit.

Table 7. EIC percentage

Age of youngest dependent at end of tax year	Percentage of federal EITC
At least 3 years old, or no dependents	9 percent (0.09)
Younger than 3	12 percent (0.12)

Earned income credit worksheet

1. Enter your federal EITC from Form 1040 or 1040-SR, line 27a. 1. _____
2. Enter the percentage from the table as a decimal. 2. _____
3. Line 1 times line 2. This is your Oregon earned income credit. 3. _____

36 Kicker (Oregon surplus) credit. The Oregon surplus credit, known as the "kicker," is a way for state government to return some of your taxes to you when revenues are more than predicted. The Oregon Department of Administrative Services determines whether there is a surplus and the amount to be

returned to taxpayers as a kicker. If there's a surplus, the kicker may be claimed on the return as a refundable tax credit. If there's no surplus, there's no kicker.

Eligibility. To be eligible for a kicker, you must:

1. File your 2020 Oregon return before you file your 2021 return.
2. Have an Oregon tax liability for 2020.
3. File a 2021 Oregon return, even if you don't otherwise have a filing requirement.

Kicker amount. In general, your kicker is a percentage of your total Oregon personal income tax liability for the prior year, as adjusted or amended. Your total personal income tax liability is your Oregon income tax before all payments or credits other than the credit for taxes paid to another state. For 2021, your kicker is 17.341 percent of your 2020 total Oregon personal income tax liability.

Amended 2020 returns. If your 2020 return is amended or adjusted after you file your 2021 return, we will automatically adjust your kicker amount. If the changes to your 2020 return reduce your tax liability, your kicker amount may be reduced as well. If so, we may send you a bill for the amount of the reduction along with any interest or penalty.

Kicker donation. Personal income taxpayers may elect to donate their kicker to the Oregon State School Fund for public K-12 education. **This election is irrevocable after the due date of the original return.** When you file your return, you must choose to do one of the following:

- Claim all of your kicker credit; **or**
- Donate all of your kicker to the State School Fund.

If you want to donate only a part of your kicker, you first have to claim all of your kicker credit on your return. Then, once you receive it, use it to make your donation. The Oregon State School Fund's address is:

Oregon Department of Education
Attn: OFA Cashier
255 Capitol St NE
Salem OR 97301

How to calculate your kicker amount.

Online assistance. Revenue Online can calculate your kicker amount if:

- Your filing status was the same for 2020 and 2021, and
- You filed with the same spouse (if married) for both years.

Look for "What's my Kicker" on Revenue Online at www.oregon.gov/dor.

Kicker worksheet. This worksheet can help you calculate your kicker amount. It's divided into three parts:

Part A— Calculate your 2020 total personal income tax liability and kicker amount.

Part B— Prorate your total personal income tax liability, if necessary.

Part C— Add individual kicker amounts together for joint 2021 returns, if necessary.

If you're completing Part B or Part C, you may need to use Part A or Part B more than once.

Same filing and marital status. For most taxpayers, all you need to do is multiply your 2020 total Oregon personal income tax liability times 17.341 percent. You can also use Part A of the worksheet.

Change in filing or marital status. Some taxpayers who filed a joint return for 2020 must prorate their kicker based on their share of 2020 federal AGI. Some taxpayers whose filing or marital status was different in 2020 may need to combine their kickers on a joint 2021 return. Use Table 8 to see if you need to prorate your kicker using Part B and/or combine your kickers using Part C.

Table 8. Prorated and/or combined kickers

Complete Parts A, B, and C if:		
Your filing status in 2020 was:		And:
2020 was:	2021 is:	
Joint	Joint	You were married in 2021 and you (or your spouse, or both) had a different spouse in 2020.
Non-joint	Joint	You were married in 2021 and your spouse had a different spouse in 2020.
Non-joint	Joint	You were married in 2021 and neither of you were married in 2020. (You may skip Part B)

Complete Parts A and B if:		
Your filing status in 2020 was:		And:
2020 was:	2021 is:	
Joint	Non-joint	You were divorced in 2020 or you're married but filing separate returns.
Joint	Non-joint	Your spouse died in 2020 and their personal representative or estate is filing a separate 2021 return on their behalf.

Optional: Complete Part A if:		
Your filing status in 2020 was:		And:
2020 was:	2021 is:	

Joint	Joint	You had the same spouse in both 2020 and 2021.
Non-joint	Non-joint	
Joint	Joint or non-joint	Your spouse died in 2020 and no separate 2021 return is being filed on their behalf, or your spouse died in 2021.

Deceased taxpayer. The surviving spouse of a deceased taxpayer may claim the full amount of the kicker if a joint return was filed for 2020. A deceased taxpayer's personal representative may file a 2021 return on the taxpayer's behalf to claim their kicker.

How do I find my 2020 total Oregon personal income tax liability? Use Table 9 and your 2020 Oregon return to locate your tax before credits and any credit(s) you claimed for income taxes you paid to another state (using code 802 or 815) on Schedule OR-ASC or OR-ASC-NP.

Table 9. Where to find tax liability

If you filed:	Tax before credits:	Credits using code 802 or 815 from:
Form OR-40	Line 22	Schedule OR-ASC, Section 3
Form OR-40-N	Line 48	Schedule OR-ASC-NP, Section 5
Form OR-40-P	Line 47	

Kicker worksheet

Part A—Total personal income tax liability and kicker.

- Tax before credits (see Table 9). 1. _____
- Credit for income taxes paid to another state using code 802 or 815 (see Table 9). 2. _____
- Line 1 minus line 2. This is your total personal income tax liability for 2020. 3. _____
- Line 3 times 0.17341. Round to the nearest dollar. This is your kicker. 4. _____

Part B – Prorated kicker.

See Table 8. Complete lines 5 through 8 **only** if you filed a joint return in 2020 and your 2021 filing status is non-joint or joint but with a different spouse. Before you start, determine your share of 2020 federal AGI.*

- Federal AGI for 2020. Form OR-40, line 7; Form OR-40-N or OR-40-P line 29F. 5. _____
- Your share of federal AGI for 2020. 6. _____

7. Line 6 divided by line 5. Round to two decimal places. 7. _____
8. Line 4 times line 7. This is your prorated kicker. 8. _____

Part C – Combined kicker.

Complete Part C only if you're filing a joint return for 2021 **and** you and your spouse didn't file a joint return together for 2020.

9. Kicker amount from your worksheet, line 4 (or line 8 if you completed Part B). 9. _____
10. Your spouse's kicker from their worksheet, line 4 (or line 8, if they completed Part B). 10. _____
11. Line 9 plus line 10. This is your combined kicker. 11. _____

*Consider each spouse's individual income (such as wages, pensions, or self-employment) and adjustments. Use a reasonable method to divide joint income (such as capital gains from the sale of jointly-owned property or interest on joint bank accounts) and adjustments. If the 2020 federal AGI on a joint return was zero or less, but the Oregon tax liability was more than zero, contact us for help.

Example 1: Hudson and Olivia each filed their 2020 Oregon return using the single filing status. Hudson's tax liability was \$8,000 and he claimed a \$500 credit for income taxes paid to another state on Schedule OR-ASC. Olivia's tax liability was \$3,000, and she paid state income tax only to Oregon. Hudson and Olivia were married in 2021 and are filing a joint Oregon return. They each complete Part A of the worksheet as follows:

Hudson's worksheet:

Part A:

- | | |
|---------------------------------|--------------|
| 1. Tax before credits | \$ 8,000 |
| 2. Credit for tax paid | <u>– 500</u> |
| 3. Total personal tax liability | \$ 7,500 |
| 4. Line 3 times 0.17341 | \$ 1,301 |

Olivia's worksheet:

Part A:

- | | |
|---------------------------------|----------|
| 1. Tax before credits | \$ 3,000 |
| 2. Credit for tax paid | <u>0</u> |
| 3. Total personal tax liability | \$ 3,000 |
| 4. Line 3 times 0.17341 | \$ 520 |

They skip Part B because neither one filed a joint return for 2020. They complete Part C to find their combined kicker:

- | | |
|--|---------------|
| 9. Hudson's kicker from line 4 of his worksheet | \$ 1,301 |
| 10. Olivia's kicker from line 4 of her worksheet | \$ <u>520</u> |
| 11. Line 9 plus line 10 | \$ 1,821 |

Hudson and Olivia's combined kicker is \$1,821.

Example 2: Ella and Emerson filed a joint 2020 Oregon return. They were divorced in 2021 and are filing separate returns. On their 2020 return, their tax before credits was \$6,500, and they had a \$300 credit for income tax they paid to another state. Their 2020 federal AGI was \$90,000; Ella's share was \$40,000 and Emerson's share was \$50,000. Each completes Parts A and B of the worksheet to find their prorated kicker.

Ella's worksheet:

Part A:

- | | |
|---------------------------------|--------------|
| 1. Tax before credits | \$ 6,500 |
| 2. Credit for tax paid | <u>– 300</u> |
| 3. Total personal tax liability | \$ 6,200 |
| 4. Line 3 times 0.17341 | \$ 1,075 |

Part B:

- | | |
|-----------------------------|-----------|
| 5. Federal AGI | \$ 90,000 |
| 6. Ella's share of AGI | \$ 40,000 |
| 7. Line 6 divided by line 5 | 0.44 |
| 8. Line 4 times line 7 | \$ 473 |

Emerson's worksheet:

Part A:

- | | |
|---------------------------------|--------------|
| 1. Tax before credits | \$ 6,500 |
| 2. Credit for tax paid | <u>– 300</u> |
| 3. Total personal tax liability | \$ 6,200 |
| 4. Line 3 times 0.17341 | \$ 1,075 |

Part B:

- | | |
|-----------------------------|-----------|
| 5. Federal AGI | \$ 90,000 |
| 6. Emerson's share of AGI | \$ 50,000 |
| 7. Line 6 divided by line 5 | 0.56 |
| 8. Line 4 times line 7 | \$ 602 |

Ella's prorated kicker is \$473 and Emerson's prorated kicker is \$602.

Example 3: Orlando and Cortney filed a joint Oregon return in 2020. Their Oregon tax before credits was \$7,500, and they didn't claim a credit for income taxes paid to any other state. Their federal AGI was \$80,000; Cortney's share was \$48,000 and Orlando's share was \$32,000. They were divorced in early 2021, and Cortney married Justin later that year. Justin had filed a non-joint Oregon return for 2020. His Oregon tax before credits was \$2,000 and he claimed a \$200 credit for taxes paid to another state. Orlando didn't remarry in

2021. Orlando, Courtney, and Justin figure their kickers as follows:

Orlando's worksheet:

Part A:

1. Tax before credits	\$ 7,500
2. Credit for tax paid	<u>0</u>
3. Total personal tax liability	\$ 7,500
4. Line 3 times 0.17341	\$ 1,301

Part B:

5. Federal AGI	\$ 80,000
6. Orlando's share of AGI	\$ 32,000
7. Line 6 divided by line 5	0.40
8. Line 4 times line 7	\$ 520

Courtney's worksheet:

Part A:

1. Tax before credits	\$ 7,500
2. Credit for tax paid	<u>0</u>
3. Total personal tax liability	\$ 7,500
4. Line 3 times 0.17341	\$ 1,301

Part B:

5. Federal AGI	\$ 80,000
6. Courtney's share of AGI	\$ 48,000
7. Line 6 divided by line 5	0.60
8. Line 4 times line 7	\$ 781

Justin's worksheet:

Part A:

1. Tax before credits	\$ 2,000
2. Credit for tax paid	<u>- 200</u>
3. Total personal tax liability	\$ 1,800
4. Line 3 times 0.17341	\$ 312

Justin skips Part B because he filed a non-joint return for 2020. He and Courtney complete Part C:

9. Courtney's kicker from line 8 of her worksheet	\$ 781
10. Justin's kicker from line 4 of his worksheet	<u>\$ 312</u>
11. Line 9 plus line 10	\$ 1,093

Courtney and Justin's combined kicker is \$1,093. Orlando's kicker is \$520.

Claim your kicker credit. If you're claiming your kicker credit, enter the amount from line 4, line 8, or line 11 of the worksheet, as applicable, on line 36.

Donate your kicker. If you elect to donate your kicker to the Oregon State School Fund, enter 0 on line 36 and see the instructions for line 53. **Reminder: This election is irrevocable after the due date of the original return.**

Note about offsets: If you claim the kicker credit and it reduces your 2021 tax liability to zero, any excess will

be treated like a refund of overpaid tax. This means that it may be offset (applied as a payment) against any tax or other liabilities you owe before the balance is refunded to you or applied (see Refund applications, below). If you donate your kicker, it may be used first to offset tax or other liabilities you owe, with any remaining amount donated to the Oregon State School Fund. If this happens, we'll send you a notice to let you know.

37 Total refundable credits from Schedule OR-ASC. Enter your total refundable credits from Schedule OR-ASC, Section F. **Include Schedule OR-ASC with your return.**

Penalties and interest

41 Your 2021 tax must be paid by **April 18, 2022**, even if you requested an extension of time to file your return. Your 2021 return must be filed by April 18, 2022. If you requested an extension, your return must be filed by October 15, 2022.

Round the total of penalties and interest to the nearest whole dollar. For more information and examples showing how penalties and interest are calculated, see "Interest and penalties" in Publication OR-17.

Penalties

Penalty amounts are based on the tax after all credits shown on your return minus payments that you made by the due date of the return. To find your tax after all credits, start with your tax after standard, carryforward credits, and credit recaptures on line 31, then subtract the refundable credit amounts on lines 35, 36, and 37.

- **Failure-to-file penalty.** Include a penalty for failure to file a return if:
 - Your return is filed more than three months after the due date (or extension due date); and
 - You didn't pay all of your tax by April 18, 2022.

The penalty for failure to file is 20 percent of your tax after all credits that wasn't paid by April 18, 2022.

- **Failure-to-pay penalty.** Include a penalty for failure to pay if:
 - Less than 90 percent of your tax after all credits (including credit recaptures) was paid by April 18, 2022, or
 - You paid at least 90 percent of your tax after credits (including credit recaptures) by April 18, 2022 but you aren't paying the balance of unpaid tax in full when you file.

The penalty for failure to pay is 5 percent of your tax after all credits (including credit recaptures) that wasn't paid by April 18, 2022.

Failure to file and pay. If both penalties apply, your total penalty will be 25 percent of your tax after all credits that wasn't paid by April 18, 2022.

First-time home buyer savings account (FTHBSA) penalty for nonqualified withdrawal. Include penalty of 5 percent of the funds withdrawn from your FTHBSA if you withdrew funds from your account for a purpose other than purchasing a home.

No penalty will be imposed if:

- The account holder:
 - Dies.
 - Files bankruptcy.
 - Becomes permanently unable to regularly perform work at a gainful and suitable occupation due to loss of any bodily function.
- The funds are withdrawn more than 10 years after the account was opened.

This penalty is in addition to all other penalties provided by law. Withdrawn funds that are subject to this penalty also must be added back to Oregon income. See this topic in "Additions" in Publication OR-17.

Interest on unpaid tax

You'll owe interest on the amount of tax that wasn't paid by April 18, 2022. Interest starts accruing on April 19 and continues to accrue every day, including the date of your payment.

Interest is figured daily, based on a 365-day year. The annual interest rate for 2022 is 4 percent, or 0.0110 percent per day.

To figure your interest, count the number of days starting with April 19, 2022 and ending with the date of your payment. Multiply your unpaid tax by the number of days, then multiply that amount by 0.000110 (the daily rate converted to a decimal).

Interest rate increase. If we bill you for unpaid tax, and the tax isn't paid in full within 60 days from the date of our billing notice, the annual interest rate increases by 4 percentage points, to 8 percent.

Amended return. If you're amending your return, calculate the interest based on the additional amount of tax you must pay (line 5 of the **Amended worksheet**).

42 Interest on underpayment of estimated tax. Underpayment interest is charged if:

- Your tax after all credits and withholding is \$1,000 or more;
- You were required to make estimated tax payments;
- One or more of your required installments was underpaid; **and**

- You don't qualify for an exception.

Note: You could be charged interest on underpayment of estimated tax even if line 39 shows a refund.

See Form OR-10 to determine if you owe underpayment interest or qualify for an exception. Download the publication from our website or you can contact us to order it.

If you owe underpayment interest, enter the amount from line 33 of Form OR-10. If you qualify for an exception, enter the exception number from line 1 of the form inside box 42a. If you used the Annualized Income Worksheet (located in the Form OR-10 Instructions) to figure your interest, check box 42b. **Include Form OR-10 with your return** (along with any required statements if you're claiming an exception). Keep the Annualized Income Worksheet with your records.

Amount due

44 Amount you owe. Enter your total unpaid tax plus penalties and interest. **Note:** If you have an overpayment on line 39 **and** the overpayment is less than the total penalties and interest you entered on line 43, enter the amount from line 43 minus the amount on line 39.

Payment options

You may pay electronically from your checking or savings account, by credit card, or with a check, cashier's check, or money order. Cash payments can be made only at our main office in Salem. If the amount due is less than \$2, no payment is required.

Electronic payment from your checking or savings account

You can pay your current year income taxes, 2022 estimated income taxes, any prior year taxes due, and amended return taxes directly from your checking or savings account. There is no fee to use this service.

This option is available only through our website. Go to www.oregon.gov/dor and click the link for Revenue Online.

Direct debit may be available with e-filed returns at the time of filing.

Credit card payments

You can pay with your Discover, MasterCard, or Visa credit card. The service provider **will charge** you a convenience fee. The service provider will tell you what the fee is during the transaction; you will have the option

to continue or cancel the transaction before entering your credit card information. If you complete the credit card transaction, you will receive a confirmation number. **Keep this confirmation number as proof of payment—don't send it with your return.**

To pay by credit card, go to www.oregon.gov/dor and click the link for Revenue Online.

Check or money order

- Make your check or money order payable to “Oregon Department of Revenue.”
- Write all of the following on your payment:
 - The tax year (2021).
 - The form you're filing (Oregon Form OR-40).
 - The last four digits of your SSN or ITIN.
- Use blue or black ballpoint ink. Don't use red or purple ink or gel pens.
- Don't send cash or a postdated check.

Form OR-40-V. Use the voucher **only** if you're making a separate payment by check, cashier's check, or money order. **Don't** use the voucher if you're including a payment with your return or making an electronic payment. You can download Form OR-40-V from our website or you can contact us to order it.

Payment plan. If you can't pay in full now, pay what you can. Contact us and we will help you set up a payment plan for the amount you don't pay with your return.

Refund

45 Refund. Enter your overpayment from line 39 minus any penalty or interest from line 43. **Note:** If the amount on line 43 is more than the overpayment on line 39, see the instructions for line 44.

You have three years from the due date of the return to file a claim for your refund. By law, we can't issue a refund if you file your return more than three years after the return's due date (without extensions) or if the refund is less than \$1. For more information about the time limit for claiming a refund, see “Payments and refunds” in Publication OR-17.

Interest on refunds. See “Payments and refunds” in Publication OR-17 for information about interest paid on refunds.

Refund applications

If line 45 shows a refund, you may use some or all of it to:

- Make an estimated tax payment for a later year.
- Donate to one or more of the charitable organizations listed on Schedule OR-DONATE.
- Contribute to the political party of your choice.

- Make a deposit to an Oregon college or MFS 529 savings plan account.

Each of these applications will reduce your refund. The combined total of all applications can't be more than the amount of your refund.

Note: A refund of overpaid tax will be offset against outstanding debt before any amount is applied or refunded to you.

Instructions for amended returns. If line 5 of the **Amended worksheet** shows a refund, you can use some or all of it for the refund applications listed above. However, you **can't reduce** any amounts you've already applied from a refund on your original return. See the instructions for each application for details.

46 Open estimated tax account. Enter the amount of your refund you want to apply as a tax payment for a later year. This amount will be applied to your **open** estimated tax account (to a year where you **will be** filing a tax return). Generally, unless you're filing a delinquent or amended return, the payment will be applied to the 2022 tax year. For more information, see “Payments and refunds” in Publication OR-17.

Instructions for amended returns. Enter the amount, if any, from a refund on your original return that you've already applied as an estimated tax payment for a later year. If line 5 of the **Amended worksheet** shows a refund and you want to apply some or all of it as an estimated tax payment, include the amount you want to apply.

47 Charitable checkoff. Enter the amount from line 30 of Schedule OR-DONATE. For more information, see the schedule instructions. You can download Schedule OR-DONATE and instructions from our website or you can contact us to order it.

Note: If your refund—after any application to an open estimated tax account—is less than your total donation amount, your donations will be prorated.

To make direct donations instead, you can find each charity's address listed on our website. Don't mail your donations to us.

Instructions for amended returns. Enter the amount, if any, from a refund on your original return that you applied as charitable donations using Schedule OR-DONATE. If line 5 of the **Amended worksheet** shows a refund, you can donate some or all of it to one or more of the listed charities. Include this amount and an amended Schedule OR-DONATE with your amended return. **Note:** The refund from your amended return will be applied as a donation for the calendar year in which you're filing it.

48

Political party checkoff. You may use your refund to contribute \$3 to the Oregon political party of your choice. If you're filing a joint return, you and your spouse may each contribute \$3. **Note:** Your contribution will **reduce** your refund and **does not** qualify for the political contribution credit.

To make a contribution:

1. Designate the political party of your choice using the party's code from the alphabetized list below.
 - If **you** contribute, enter **one** code in box 48a.
 - If **your spouse** contributes on a joint return, enter **one** code in box 48b.

Enter only one code per taxpayer. Spouses filing a joint return don't have to enter the same code.

- Constitution Party of Oregon [code 500].
- Democratic Party of Oregon [code 501].
- Independent Party of Oregon [code 502].
- Libertarian Party of Oregon [code 503].
- Oregon Republican Party [code 504].
- Pacific Green Party of Oregon [code 505].
- Progressive Party [code 506].
- Working Families Party of Oregon [code 507].

2. Enter your total contribution amount.
 - If **you or** your spouse contribute, enter \$3.
 - If both you **and** your spouse contribute on a joint return, enter \$6.

Note: Your political party contribution **won't** be made if:

- Your refund—after any application to an open estimated tax account or charitable checkoff donation—is less than your total contribution amount.
- You enter an amount but don't designate a party (or parties).
- You designate a party (or parties) but don't enter an amount.
- You enter more than one party code per taxpayer.

Instructions for amended returns. Enter the amount, if any, from a refund on your original return that you applied as a political party contribution. If line 5 of the **Amended worksheet** shows a refund and you didn't make the maximum political party contribution on your original return, you may use the refund to make a contribution on your amended return.

49

Oregon college or MFS 529 savings plan. Enter the total from Schedule OR-529. For minimum deposit amounts and other information, see the schedule instructions. You can download Schedule OR-529 from our website or you can contact us to order it.

Note: If the amount of your refund—after any application to an open estimated tax account, charitable checkoff donation, or political party contribution—is less than the total amount you want to deposit, no deposit will be made.

Instructions for amended returns. Enter the amount, if any, from a refund on your original return that you applied as an Oregon college or MFS 529 savings plan deposit. If line 5 of the **Amended worksheet** shows a refund, add the amount you want to apply as a deposit and include an amended Schedule OR-529 with your amended return. The refund will be applied for the year in which you're filing the amended return.

51

Net refund. You must **reduce your refund** by any amounts applied to your open estimated tax account, charitable checkoff donations, political party contributions, and Oregon college or MFS 529 savings plan accounts. **By law, we can't issue or apply a refund if you file your return more than three years after the return's due date (excluding extensions).**

Direct deposit

52

Direct deposit. In most cases, we can deposit your refund directly into your checking or savings account instead of mailing you a check. However, federal banking regulations prevent us from making a refund by direct deposit if the final destination is an account outside the U.S. In that case, we must issue a paper check instead.

Before you enter your information, verify that your deposit will be accepted and confirm your routing and account numbers. You can find a diagram of a personal check showing where these numbers are located in the "Payments and refunds" section of Publication OR-17.

Follow these steps to make sure your refund will be deposited into the correct account:

1. **Check the box** if the final destination for your refund would be an account outside the U.S. **Note:** If you check this box, you will be issued a paper check.
2. **Check the appropriate box, either checking or savings, but not both.**
3. **Enter your nine-digit routing number.** Routing numbers begin with the digits 01 through 12, 21 through 32, or 61 through 72.
4. **Enter your account number.** Account numbers can be up to 17 characters (both numbers and letters). Don't include hyphens, spaces, or special symbols.
5. **Double-check** the account and routing numbers. **These numbers can't be changed after the return is filed.**

Kicker donation

53 Kicker donation. You may choose to donate all of your kicker to the Oregon State School Fund. The election to donate your kicker cannot be changed after the due date of the original return. No partial donations are allowed. If any amount other than 0 is entered on line 36, your donation won't be made.

To make the donation:

1. See the instructions for line 36 to calculate your kicker amount.
2. Make sure that you've entered 0 on line 36.
3. Check box 53a.
4. Enter your entire kicker amount on line 53b.

Reminder: This election is irrevocable. The election to donate your kicker can not be changed or revoked after the due date of the original return. To make a change or correction to your election, your amended return must be received by the due date of the original return.

See the instructions for calculating your kicker for more information.

Signature block

Signature(s). Be sure to sign and date your return. If you're filing a joint return, both taxpayers must sign. By signing the return, you acknowledge, under penalty of false swearing, that the information on the return is true, correct, and complete.

Minor child's return. If your child can't sign their tax return, you may sign the child's name as their legal agent. Sign the child's name and then write "By [your signature], parent (or other legal guardian) of minor child."

Preparer signature. Anyone who prepares, advises, or assists in preparing personal income tax returns in exchange for compensation of any kind **must** be licensed to prepare Oregon returns and **must** sign the return.

Signing the return doesn't grant your preparer the right to represent you or make decisions on your behalf. See the *Tax Information Authorization and Power of Attorney for Representation* form and instructions on our website for more information.

Contact the following agencies to check the status of your Oregon tax practitioner:

- State Board of Tax Practitioners at 503-378-4034 (Salem) for licensed tax consultants or preparers, or go to www.oregon.gov/obtp.

- State Board of Accountancy at 503-378-4181 (Salem) for public accountants and certified public accountants, or go to www.oregon.gov/boa.

Preparer license number. Licensed tax consultants and tax preparers: enter your license number. CPAs: enter your certificate number. Tax-Aide volunteers: enter your TCE site number. All others: leave blank. **Don't** enter your driver license number.

Before you file

Copy of federal return. Before you assemble your Oregon return, make a copy of both sides of your federal Form 1040 or 1040-SR along with Schedules 1 through 3 (as applicable), 1040-X, or 1040-NR.

Don't include any other federal schedules or an extension request unless instructed otherwise. Keep these with your records; we may ask for them later.

If you created an "as if" federal return, use blue or black ink to label it "as if" on the top left corner. Include it along with the copy of your actual federal return (and any amendments).

Failure to include your federal return will delay processing, and items claimed on your Oregon return may be adjusted or denied.

Amended Oregon return. If you're amending your Oregon return due to changes to your federal return or a return you filed with another state, include a copy of your amended or corrected federal or other state return or audit report. If you're amending only your Oregon return, include a copy of your original federal or other state return.

Assemble your Oregon return. Assemble your return in the order shown below. If a form has more than one page, be sure that you've included all pages and that they're all from the same 2021 form. For example, if you're filing Schedule OR-WFHDC, Schedule OR-A, or Schedule OR-ASC, be sure that "2021 Schedule OR-WFHDC", "2021 Schedule OR-A", or "2021 Schedule OR-ASC" is printed at the top of each page and that you've included all pages associated with each schedule.

Important: Don't use staples, paperclips, tape, or other fasteners. Doing so will delay processing.

1. Payment by check or money order, if any. **Don't use a voucher.**
2. Form(s) W-2 and 1099 showing Oregon tax withheld.
3. Form OR-40.
4. Schedule OR-A.
5. Schedule OR-ASC.
6. Schedule OR-ADD-DEP.
7. Schedule OR-DONATE.
8. Schedule OR-529.

9. Schedule OR-PTE-FY.
10. Form OR-10.
11. Schedule OR-WFHDC.
12. Other Oregon schedules required to be included with your return.
13. If you're an RDP filing separately for Oregon, your RDP's Oregon return.
14. Your federal return(s) and schedules.

Note: If you're making an estimated tax payment for 2022 by check or money order, send the payment in a **separate envelope** with a completed Form OR-40-V. **Don't** include your 2022 payment or voucher with your 2021 return.

Avoid processing delays

Type or clearly print your name, SSN, date of birth, complete mailing address, and daytime phone number on your return.

Include all pages of your Oregon return.

Double-check your figures and other numbers, including your SSN. Errors will delay processing. Common mistakes are:

- Math errors.
- A wrong amount claimed for the federal tax liability subtraction.
- Using the wrong line or column on the tax tables.
- Using the wrong tax chart.

If you have tax to pay, review the instructions for line 44.

Verify your account information if you're requesting a refund by direct deposit.

Sign your return. Both spouses must sign a joint return.

Include legible copies of all W-2 and 1099 forms showing Oregon income tax withheld. Place them on top of your return along with any payment by check, cashier's check, or money order.

Include a copy of your federal return (front and back) with your Oregon return. **Include** federal Schedules 1 through 3 (if applicable), but **don't include** other federal schedules unless otherwise instructed. Place it behind all Oregon forms and schedules.

Payment by check, cashier's check, or money order should be placed on top of your return. **Don't** mail cash. **Don't use a voucher.**

Don't use staples, paper clips, tape, or other fasteners.

Mail your return in a stamped envelope. Use a business-size (4 × 9½ inches) or larger envelope with adequate postage. **Don't** use a smaller envelope—it delays processing.

Tax return mailing addresses

Mail refund returns or no-tax-due returns to:
 REFUND
 PO Box 14700
 Salem OR 97309-0930

Mail tax-to-pay returns to:
 Oregon Department of Revenue
 PO Box 14555
 Salem OR 97309-0940

2021 Tax Tables for Form OR-40

S Use column S if you are:

- Single.
- Married filing separately.

J Use column J if you are:

- Married filing jointly.
- Head of household.
- Widow(er) with dependent child.

If income from Form OR-40, line 19 is:		And you use column:		If income from Form OR-40, line 19 is:		And you use column:		If income from Form OR-40, line 19 is:		And you use column:		If income from Form OR-40, line 19 is:		And you use column:	
At least:	But less than:	S	J	At least:	But less than:	S	J	At least:	But less than:	S	J	At least:	But less than:	S	J
		Your tax is:				Your tax is:				Your tax is:				Your tax is:	
\$ 0		\$ 4,000		\$ 9,000		\$ 14,000									
		4,000 – 4,100	200	192	9,000 – 9,100	538	465	14,000 – 14,100	972	803					
		4,100 – 4,200	207	197	9,100 – 9,200	544	472	14,100 – 14,200	981	809					
		4,200 – 4,300	214	202	9,200 – 9,300	552	479	14,200 – 14,300	990	816					
		4,300 – 4,400	220	207	9,300 – 9,400	561	485	14,300 – 14,400	999	823					
		4,400 – 4,500	227	211	9,400 – 9,500	570	492	14,400 – 14,500	1,007	830					
		4,500 – 4,600	234	216	9,500 – 9,600	579	499	14,500 – 14,600	1,016	836					
		4,600 – 4,700	241	221	9,600 – 9,700	587	506	14,600 – 14,700	1,025	843					
		4,700 – 4,800	247	226	9,700 – 9,800	596	512	14,700 – 14,800	1,034	850					
0 – 20	0	4,800 – 4,900	254	230	9,800 – 9,900	605	519	14,800 – 14,900	1,042	857					
20 – 50	2	4,900 – 5,000	261	235	9,900 – 10,000	614	526	14,900 – 15,000	1,051	863					
\$ 50		\$ 5,000		\$ 10,000		\$ 15,000									
50 – 100	4	5,000 – 5,100	268	240	10,000 – 10,100	622	533	15,000 – 15,100	1,060	870					
100 – 200	7	5,100 – 5,200	274	245	10,100 – 10,200	631	539	15,100 – 15,200	1,069	877					
200 – 300	12	5,200 – 5,300	281	249	10,200 – 10,300	640	546	15,200 – 15,300	1,077	884					
300 – 400	17	5,300 – 5,400	288	254	10,300 – 10,400	649	553	15,300 – 15,400	1,086	890					
400 – 500	21	5,400 – 5,500	295	259	10,400 – 10,500	657	560	15,400 – 15,500	1,095	897					
500 – 600	26	5,500 – 5,600	301	264	10,500 – 10,600	666	566	15,500 – 15,600	1,104	904					
600 – 700	31	5,600 – 5,700	308	268	10,600 – 10,700	675	573	15,600 – 15,700	1,112	911					
700 – 800	36	5,700 – 5,800	315	273	10,700 – 10,800	684	580	15,700 – 15,800	1,121	917					
800 – 900	40	5,800 – 5,900	322	278	10,800 – 10,900	692	587	15,800 – 15,900	1,130	924					
900 – 1,000	45	5,900 – 6,000	328	283	10,900 – 11,000	701	593	15,900 – 16,000	1,139	931					
\$ 1,000		\$ 6,000		\$ 11,000		\$ 16,000									
1,000 – 1,100	50	6,000 – 6,100	335	287	11,000 – 11,100	710	600	16,000 – 16,100	1,147	938					
1,100 – 1,200	55	6,100 – 6,200	342	292	11,100 – 11,200	719	607	16,100 – 16,200	1,156	944					
1,200 – 1,300	59	6,200 – 6,300	349	297	11,200 – 11,300	727	614	16,200 – 16,300	1,165	951					
1,300 – 1,400	64	6,300 – 6,400	355	302	11,300 – 11,400	736	620	16,300 – 16,400	1,174	958					
1,400 – 1,500	69	6,400 – 6,500	362	306	11,400 – 11,500	745	627	16,400 – 16,500	1,182	965					
1,500 – 1,600	74	6,500 – 6,600	369	311	11,500 – 11,600	754	634	16,500 – 16,600	1,191	971					
1,600 – 1,700	78	6,600 – 6,700	376	316	11,600 – 11,700	762	641	16,600 – 16,700	1,200	978					
1,700 – 1,800	83	6,700 – 6,800	382	321	11,700 – 11,800	771	647	16,700 – 16,800	1,209	985					
1,800 – 1,900	88	6,800 – 6,900	389	325	11,800 – 11,900	780	654	16,800 – 16,900	1,217	992					
1,900 – 2,000	93	6,900 – 7,000	396	330	11,900 – 12,000	789	661	16,900 – 17,000	1,226	998					
\$ 2,000		\$ 7,000		\$ 12,000		\$ 17,000									
2,000 – 2,100	97	7,000 – 7,100	403	335	12,000 – 12,100	797	668	17,000 – 17,100	1,235	1,005					
2,100 – 2,200	102	7,100 – 7,200	409	340	12,100 – 12,200	806	674	17,100 – 17,200	1,244	1,012					
2,200 – 2,300	107	7,200 – 7,300	416	344	12,200 – 12,300	815	681	17,200 – 17,300	1,252	1,019					
2,300 – 2,400	112	7,300 – 7,400	423	350	12,300 – 12,400	824	688	17,300 – 17,400	1,261	1,025					
2,400 – 2,500	116	7,400 – 7,500	430	357	12,400 – 12,500	832	695	17,400 – 17,500	1,270	1,032					
2,500 – 2,600	121	7,500 – 7,600	436	364	12,500 – 12,600	841	701	17,500 – 17,600	1,279	1,039					
2,600 – 2,700	126	7,600 – 7,700	443	371	12,600 – 12,700	850	708	17,600 – 17,700	1,287	1,046					
2,700 – 2,800	131	7,700 – 7,800	450	377	12,700 – 12,800	859	715	17,700 – 17,800	1,296	1,052					
2,800 – 2,900	135	7,800 – 7,900	457	384	12,800 – 12,900	867	722	17,800 – 17,900	1,305	1,059					
2,900 – 3,000	140	7,900 – 8,000	463	391	12,900 – 13,000	876	728	17,900 – 18,000	1,314	1,066					
\$ 3,000		\$ 8,000		\$ 13,000		\$ 18,000									
3,000 – 3,100	145	8,000 – 8,100	470	398	13,000 – 13,100	885	735	18,000 – 18,100	1,322	1,073					
3,100 – 3,200	150	8,100 – 8,200	477	404	13,100 – 13,200	894	742	18,100 – 18,200	1,331	1,079					
3,200 – 3,300	154	8,200 – 8,300	484	411	13,200 – 13,300	902	749	18,200 – 18,300	1,340	1,086					
3,300 – 3,400	159	8,300 – 8,400	490	418	13,300 – 13,400	911	755	18,300 – 18,400	1,349	1,093					
3,400 – 3,500	164	8,400 – 8,500	497	425	13,400 – 13,500	920	762	18,400 – 18,500	1,357	1,100					
3,500 – 3,600	169	8,500 – 8,600	504	431	13,500 – 13,600	929	769	18,500 – 18,600	1,366	1,109					
3,600 – 3,700	173	8,600 – 8,700	511	438	13,600 – 13,700	937	776	18,600 – 18,700	1,375	1,118					
3,700 – 3,800	180	8,700 – 8,800	517	445	13,700 – 13,800	946	782	18,700 – 18,800	1,384	1,127					
3,800 – 3,900	187	8,800 – 8,900	524	452	13,800 – 13,900	955	789	18,800 – 18,900	1,392	1,135					
3,900 – 4,000	193	8,900 – 9,000	531	458	13,900 – 14,000	964	796	18,900 – 19,000	1,401	1,144					

2021 Tax Tables for Form OR-40

S Use column S if you are:

- Single.
- Married filing separately.

J Use column J if you are:

- Married filing jointly.
- Head of household.
- Widow(er) with dependent child.

If income from Form OR-40, line 19 is:		And you use column:		If income from Form OR-40, line 19 is:		And you use column:		If income from Form OR-40, line 19 is:		And you use column:		If income from Form OR-40, line 19 is:		And you use column:									
At least:	But less than:	S	J	At least:	But less than:	S	J	At least:	But less than:	S	J	At least:	But less than:	S	J								
		Your tax is:				Your tax is:				Your tax is:				Your tax is:									
\$ 39,000				\$ 42,000				\$ 45,000				\$ 48,000											
39,000 – 39,100	3,160	2,903	42,000 – 42,100	3,422	3,165	45,000 – 45,100	3,685	3,428	48,000 – 48,100	3,947	3,690	39,100 – 39,200	3,169	2,912	42,100 – 42,200	3,431	3,174	45,100 – 45,200	3,694	3,437	48,100 – 48,200	3,956	3,699
39,200 – 39,300	3,177	2,920	42,200 – 42,300	3,440	3,183	45,200 – 45,300	3,702	3,445	48,200 – 48,300	3,965	3,708	39,300 – 39,400	3,186	2,929	42,300 – 42,400	3,449	3,192	45,300 – 45,400	3,711	3,454	48,300 – 48,400	3,974	3,717
39,400 – 39,500	3,195	2,938	42,400 – 42,500	3,457	3,200	45,400 – 45,500	3,720	3,463	48,400 – 48,500	3,982	3,725	39,500 – 39,600	3,204	2,947	42,500 – 42,600	3,466	3,209	45,500 – 45,600	3,729	3,472	48,500 – 48,600	3,991	3,734
39,600 – 39,700	3,212	2,955	42,600 – 42,700	3,475	3,218	45,600 – 45,700	3,737	3,480	48,600 – 48,700	4,000	3,743	39,700 – 39,800	3,221	2,964	42,700 – 42,800	3,484	3,227	45,700 – 45,800	3,746	3,489	48,700 – 48,800	4,009	3,752
39,800 – 39,900	3,230	2,973	42,800 – 42,900	3,492	3,235	45,800 – 45,900	3,755	3,498	48,800 – 48,900	4,017	3,760	39,900 – 40,000	3,239	2,982	42,900 – 43,000	3,501	3,244	45,900 – 46,000	3,764	3,507	48,900 – 49,000	4,026	3,769
\$ 40,000				\$ 43,000				\$ 46,000				\$ 49,000											
40,000 – 40,100	3,247	2,990	43,000 – 43,100	3,510	3,253	46,000 – 46,100	3,772	3,515	49,000 – 49,100	4,035	3,778	40,100 – 40,200	3,256	2,999	43,100 – 43,200	3,519	3,262	46,100 – 46,200	3,781	3,524	49,100 – 49,200	4,044	3,787
40,200 – 40,300	3,265	3,008	43,200 – 43,300	3,527	3,270	46,200 – 46,300	3,790	3,533	49,200 – 49,300	4,052	3,795	40,300 – 40,400	3,274	3,017	43,300 – 43,400	3,536	3,279	46,300 – 46,400	3,799	3,542	49,300 – 49,400	4,061	3,804
40,400 – 40,500	3,282	3,025	43,400 – 43,500	3,545	3,288	46,400 – 46,500	3,807	3,550	49,400 – 49,500	4,070	3,813	40,500 – 40,600	3,291	3,034	43,500 – 43,600	3,554	3,297	46,500 – 46,600	3,816	3,559	49,500 – 49,600	4,079	3,822
40,600 – 40,700	3,300	3,043	43,600 – 43,700	3,562	3,305	46,600 – 46,700	3,825	3,568	49,600 – 49,700	4,087	3,830	40,700 – 40,800	3,309	3,052	43,700 – 43,800	3,571	3,314	46,700 – 46,800	3,834	3,577	49,700 – 49,800	4,096	3,839
40,800 – 40,900	3,317	3,060	43,800 – 43,900	3,580	3,323	46,800 – 46,900	3,842	3,585	49,800 – 49,900	4,105	3,848	40,900 – 41,000	3,326	3,069	43,900 – 44,000	3,589	3,332	46,900 – 47,000	3,851	3,594	49,900 – 50,000	4,114	3,857
\$ 41,000				\$ 44,000				\$ 47,000															
41,000 – 41,100	3,335	3,078	44,000 – 44,100	3,597	3,340	47,000 – 47,100	3,860	3,603	41,100 – 41,200	3,344	3,087	44,100 – 44,200	3,606	3,349	47,100 – 47,200	3,869	3,612						
41,200 – 41,300	3,352	3,095	44,200 – 44,300	3,615	3,358	47,200 – 47,300	3,877	3,620	41,300 – 41,400	3,361	3,104	44,300 – 44,400	3,624	3,367	47,300 – 47,400	3,886	3,629						
41,400 – 41,500	3,370	3,113	44,400 – 44,500	3,632	3,375	47,400 – 47,500	3,895	3,638	41,500 – 41,600	3,379	3,122	44,500 – 44,600	3,641	3,384	47,500 – 47,600	3,904	3,647						
41,600 – 41,700	3,387	3,130	44,600 – 44,700	3,650	3,393	47,600 – 47,700	3,912	3,655	41,700 – 41,800	3,396	3,139	44,700 – 44,800	3,659	3,402	47,700 – 47,800	3,921	3,664						
41,800 – 41,900	3,405	3,148	44,800 – 44,900	3,667	3,410	47,800 – 47,900	3,930	3,673	41,900 – 42,000	3,414	3,157	44,900 – 45,000	3,676	3,419	47,900 – 48,000	3,939	3,682						

2021 Tax rate charts

Chart S: For persons filing single or married/RDP filing separately—

If your taxable income is \$50,000 or more but not over \$125,000your tax is \$4,118 plus 8.75% of excess over \$50,000
 If your taxable income is over \$125,000 your tax is \$10,681 plus 9.9% of excess over \$125,000

Chart J: For persons filing jointly, head of household, or qualifying widow(er) with dependent child—

If your taxable income is \$50,000 or more but not over \$250,000.....your tax is \$3,861 plus 8.75% of excess over \$50,000
 If your taxable income is over \$250,000.....your tax is \$21,361 plus 9.9% of excess over \$250,000