General information

Form OR-TFR is used to:

- Transfer agriculture workforce housing, bovine manure production or collection, and short line railroad rehabilitation credits (Sections A and B); or
- Report the distributive share of a credit for each partner or owner of a pass-through entity (PTE) that has received a certified credit (Section C).

Credit transfers

Use Section A to transfer the following credits from one taxpayer to another:

- Agriculture workforce housing credit (code 835) (Oregon Revised Statute (ORS) 315.164; ORS 315.169);
- Bovine manure production or collection credit (code 869) (ORS 315.176); or
- Short line railroad rehabilitation credit (code 872) (ORS 315.593).

Refer to Publication OR-17 for more information on these credits.

For each credit transfer, the transferor and transferee must complete and sign Section A. Complete a separate form for each credit transfer. The completed form must be submitted by the transferee at the time of transfer. Don’t submit the form with transferor’s or transferee’s return—send it separately within 30 days of completing the transfer or when the transferee files their return, whichever is earlier.

Important notes for all transfers:

- A credit may be transferred only once by the original credit recipient.
- A credit may only be transferred to an individual, C corporation, or S corporation.
- A credit earned by a PTE must be transferred by the PTE.
- Carryforward amounts can’t be transferred.
- The bovine manure production or collection credit and the short line railroad rehabilitation credit are issued for one tax year (excluding carryforward provisions). You aren’t required to transfer the entire credit. You’re able to transfer a portion of the credit and claim the remaining amount for yourself.
- The agriculture workforce housing credit is claimed over multiple tax years. Therefore, when transferring this credit, you must transfer the full amount of the credit for each tax year without claiming a portion of the credit attributed to that tax year for yourself.

Example 1: Maggie received a bovine manure production or collection credit for tax year 2021 in the amount of $60,000. Maggie transferred $35,000 to Alicia, $15,000 to Mark, and kept $10,000 to claim on her tax return.

Alicia and Mark can’t transfer the credit again and must claim the credit on their respective tax returns for tax year 2021.

If Maggie is unable to use the entire $10,000 credit on her tax return, she can carry the unused portion forward for up to four years, but can’t transfer the carryforward amount.

Deadlines for transfer

Unless the exception applies, a transfer must be completed by the earliest of the following dates for the tax year when it must be claimed:

- The due date, including extensions, of the transferor’s return;
- The date the transferor’s return is filed;
- The due date, including extensions, of the transferee’s return; or
- The date the transferee’s return is filed.

Example 2: Jake received a bovine manure production or collection credit for tax year 2021 in the amount of $130,000. Jake is a calendar year filer and submitted his return on extension on September 14, 2022. He can’t transfer any portion of the credit after filing his return. He must claim the credit on his 2021 return and carry forward any unused amount.

Exception: A government agency or tax-exempt entity under IRC Section 501(c)(3) has one year from the close of the tax year for which the credit is certified to transfer the credit.

Example 3: GHI, Inc., a not-for-profit tax exempt entity, received a short line railroad rehabilitation credit for tax year 2022 in the amount of $240,000. GHI has until December 31, 2023 to transfer a portion or all of the credit.

Section A instructions

Complete all applicable fields in Section A for the transferor and transferee. If transferring the credit to multiple transferees, use a separate Form OR-TFR for each transfer and complete Section B. Don’t use this section for reporting the distributive share of a credit (or flow-through amounts) available to PTE owners (see Section C).

Tax year. Provide the tax year for which the credit was certified and is first available to be claimed.

Credit code. Use code 835, 869, or 872 only. Don’t use this section of the form for any other credit.

Certification date and number. From the credit certificate, provide the certification date and certification number as assigned by the certifying agency.
If the transferor is a government agency or tax-exempt agency under IRC 501(c)(3), check the “yes” box.

**Original credit amount.** Enter the total credit amount awarded from the credit certificate.

**Amount being transferred.** Enter the credit amount being transferred to the transferee. Don’t include multiple transfer amounts.

**Amount paid for the credit.** Enter the amount the transferee paid for the credit, if applicable.

**Credit remaining.** Report the amount remaining with the transferor after subtracting the credit amount being transferred from the original credit amount. If you made multiple transfers of this credit, complete Section B.

**Section B instructions**

Use Section B to calculate the remaining credit amount if the credit has been transferred to more than one transferee. Report all prior transfers, including the transfer reported in Section A.

If there is only one transfer to report, with no prior transfers, leave Section B blank.

Use additional schedules as necessary.

**Example 4:** Liam received an agriculture workforce housing credit for tax year 2021 in the amount of $100,000. Liam can claim 20 percent ($20,000) of the total credit in five of the next ten tax years or he can transfer the credits in 20 percent increments (one increment for each year that he can claim the credit).

Liam is submitting Form OR-TFR to transfer $20,000 to another individual. Prior to this transfer, Liam made two other transfers, totaling $40,000 ($20,000 + $20,000).

In Section A, Liam will report the original credit amount as $100,000, the credit amount being transferred as $20,000, and the credit amount remaining with the transferor as $40,000 [$100,000 – ($20,000 + $20,000 + $20,000)].

In Section B, Liam will report the date of each transfer with $20,000, $20,000 and $20,000 as the amounts transferred.

**Distributive share of the credit**

Use Section C to report partners or owners that will receive a distributive share of an Oregon credit awarded or sold to a PTE such as a partnership or S corporation. Don’t use this section to transfer (or sell) a credit from one taxpayer to another.

This information will be used to assign the distributive share of each credit directly to a partner’s or owner’s account. Submit this form as soon as you know each owner’s distributive share of the credit but no later than two months following the close of the PTE’s tax year.

**Section C instructions**

Complete all applicable fields.

Use additional schedules as necessary.

**PTE information.** Provide the name, address, contact phone number, and federal employer identification number (FEIN) of the PTE that was awarded the credit. This should match the information on the credit certificate.

**Certificate information.** Provide the date of certification, certification number as provided by the certifying agency, credit code, and original credit amount from the credit certificate. Credit codes can be found in Publication OR-CODES available at www.oregon.gov/dor. Use a separate form for each credit. Don’t include multiple credits on one form.

**Partner/owner information.** Provide the full name, Social Security number (SSN) or FEIN, and address for each owner that will be claiming the credit. Even if two owners are married individuals who will be filing jointly, list them separately. Don’t use the address for the PTE.

**Example 5:** ABC partnership received an agriculture workforce housing credit of $120,000 for tax year 2021. The partnership has four partners, each with a 25 percent interest in the partnership. Two of the partners will be filing jointly. Using Section C, ABC partnership will list all four owners, even though two will be filing jointly, and the distributive share of $30,000 ($120,000 x 0.25) for each partner.

**Example 6:** DEF Industries, Inc. (an S corporation) received a bovine manure production or collection credit of $80,000 for tax year 2021. The S corporation transferred $35,000 on behalf of the owners and completed Section A. The remaining $45,000 credit ($80,000 - $35,000) will flow through to the owners to be claimed on the owners’ tax returns. DEF Industries, Inc. will also complete Section C to report the distributive share of the credit that will flow through to each owner.

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**Do you have questions or need help?**

www.oregon.gov/dor
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questions.dor@ dor.oregon.gov

Contact us for ADA accommodations or assistance in other languages.