

2015 Oregon Income Tax

Full-year Resident

New look!



Forms and instructions: Form 40, Form 40-V, Schedule OR-ASC, Schedule OR-529, and Schedule OR-D



Check out our new 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 to sign up for a Revenue Online account.

- **April 18, 2016** is the due date for filing your return and paying your tax due.
- **File electronically—it's faster, easy, and secure.** E-filed returns receive refunds in 7–10 days (see page 6).
- See page 23 for payment options.
- Find out if you qualify for the earned income credit. See page 23.
- Veterans' benefits. Find out more at www.oregon.gov/odva.
- Healthy Kids program. Find out if you qualify for health coverage at www.oregonhealthykids.gov.
- These instructions are not a complete statement of laws and Oregon Department of Revenue rules. You may need more information. See page 2.

www.oregon.gov/dor

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Have questions? Need help?

Internet

www.oregon.gov/dor

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

Twitter: @ORrevenue

Email or write

questions.dor@oregon.gov
preguntas.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.

Printed forms or publications:

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

In person

Find directions and hours on our website.

Revenue Online

www.oregon.gov/dor; click on Revenue Online

- Check your refund status.
- Make or schedule payments.
- View your account history.
- Find out how much you owe.
- Securely communicate with us.

Phone

Salem area or outside Oregon..... (503) 378-4988
Toll-free from an Oregon prefix..... 1 (800) 356-4222

Monday–Friday 7:30 a.m.–5 p.m.
Closed Thursdays from 9–11 a.m. Closed holidays. Extended hours during tax season; wait times may vary.

Asistencia en español:

En Salem o fuera de Oregon (503) 378-4988
 Gratis de prefijo de Oregon..... 1 (800) 356-4222

TTY (hearing or speech impaired; machine only):

Salem area or outside Oregon (503) 945-8617
 Toll-free from an Oregon prefix.... 1 (800) 886-7204

Americans with Disabilities Act (ADA): Call one of the help numbers above for information in alternative formats.

Electronic filing

E-file is the fastest way to file your return and receive your refund. The speed and accuracy of computers allow electronic returns to be processed faster than paper returns, greatly reducing errors and delays. E-file uses secure technology to ensure the safety of your personal information once it is transmitted 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 have already filed your federal return, you may still electronically file your Oregon return.

If you haven't tried e-file yet, why not this year? Join more than a 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. Online tax preparation software.

You can file your federal and state returns from your home computer, from work, or from a library 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 that can assist 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 our website at www.oregon.gov/dor/e-filing.

For more information about e-filing, go to our website at www.oregon.gov/dor.

New information

Oregon has gone live! We are pleased to announce that our new online tax system, Revenue Online, is now available for personal income taxpayers. Revenue Online provides convenient, secure access to tools for managing your Oregon tax account—completely free! With Revenue Online, you may:

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

For more information and instructions on setting up your personal Revenue Online account, go to www.oregon.gov/dor.

Income tax booklets. We are no longer automatically mailing tax booklets. To obtain a tax booklet, you can download a copy from our website at www.oregon.gov/dor or contact us. For contact information, see page 2.

New form design. The forms have been redesigned to streamline the filing process. Pay special attention to line items and check boxes—they may have changed. The child and dependent care credit, earned income credit, and working family child care credit are no longer claimed on the return; they are instead claimed on Schedule OR-ASC.

New codes. Many of our codes have changed. See pages 13, 14, 19, and 22 for complete listings of our standard numeric codes. If you use the wrong code, your return may take longer to process or the item may be disallowed. Complete instructions for claiming additions, subtractions, and credits can be found starting on page 2 of Schedule OR-ASC.

No more amended schedules. The amended schedule has been discontinued for tax years 2015 and forward. See page 9 for instructions for filing your 2015 amended return.

Calculated using “as if” federal return. There is a new check box on the top of the return for certain taxpayers who must file a separate “Oregon only” federal return with their Oregon return, in addition to the federal return that they are filing with the IRS, or for taxpayers who are not filing a federal return. See page 10 for more information.

Kicker refund. Oregon’s surplus credit (known as the “kicker”) will be claimed as a credit on your 2015 tax return. The credit is a percentage of your 2014 tax liability. You may choose to donate your surplus credit to the

Oregon State School Fund. See page 20 for more information and instructions for calculating your credit and donating your credit to the Oregon State School Fund. You must file a 2015 return to claim your kicker credit, even if you do not have an obligation to file.

Identity verification letters. We take tax fraud seriously. Starting this year, we will be sending identity verification letters to some taxpayers. If you receive this letter, please follow the instructions provided.

Military pay. If you performed active military service in 2015, and your Defense Finance and Accounting System payroll address was outside Oregon, Oregon considers you to be a nonresident and will not tax your military pay. This new law is retroactive to January 1, 2012 and applies to all members of the Armed Forces, including National Guard and reserve components, performing active service as defined in 10 USC 101(d) (3), other than annual training duty or inactive-duty training. See page 7 for more information.

Reduced tax rate for pass-through entities. There is a new tax rate pass-through entities may elect to use. For more information, see page 18.

Substantial understatement penalty (SUP). Oregon’s penalty for substantially understated taxable income (SUI) has been changed to a penalty for substantially understated net tax.

Special Oregon medical subtraction. For tax year 2015, you or your spouse must be age 63 or older on December 31, 2015 to qualify for the subtraction. See page 15 for more details.

Charitable donation add-back. Charitable donations to organizations that fail to spend at least 30 percent of their annual functional expenses for program services are no longer deductible on your Oregon return. See *Publication 17½*, 150-101-431, for more information about the new add-back requirement.

Disaster relief. Earned income while working in Oregon solely to provide relief during a declared disaster or emergency is exempt from Oregon tax. You do not need to file an Oregon return reporting this income unless taxes were withheld.

Long-term care insurance premiums. Oregon no longer offers a tax credit for long-term care insurance premiums. If this causes you to pay interest on underpayment of estimated taxes, see Form 10, *Underpayment of Oregon Estimated Tax*, 150-101-031.

Same-sex couples. We recognize Oregon same-sex registered domestic partners (RDPs) and same-sex legally married couples who have been married in Oregon and

in other jurisdictions as married for tax purposes. If you held either of these statuses on December 31, 2015, you will file either married filing jointly or married filing separately.

- **If you're an Oregon RDP** who isn't legally married, fill in your partner's information in the "spouse" portions of the tax forms and follow all instructions for spouses except where otherwise noted. Complete a federal income tax return "as if" you're married filing jointly or married filing separately. Check the "calculated using 'as-if' federal return" box on the top of the Oregon return. You must include the federal "as-if"

return and your actual federal return with your Oregon return.

- **If you're a same-sex married couple**, you're required to use the same filing status on your Oregon return that you used on your federal return. You don't need to complete an "as if" federal return. Instead, you must include your actual federal return with your Oregon return.

Federal law changes. The tuition and fees deduction and educator expenses deduction were expired at the time this publication was printed. If Congress did not reinstate these deductions, you cannot take them or the Oregon subtraction on your return.

Federal tax law

No extension to pay. Oregon does not allow an extension of time to pay your tax, even if the IRS is allowing an extension. Your 2015 Oregon tax is due April 18, 2016.

Federal law connection. Oregon is tied to federal income tax laws **as of December 31, 2014**. Oregon has a rolling tie to federal changes made to the definition of taxable income, with two exceptions:

- IRC section 139A for Federal Subsidies for Prescription Drug Plans; and

- IRC section 199 for Income Attributable to Domestic Production Activities, also known as Qualified Production Activity Income (QPAI).

Income under these sections is specifically exempt from tax on the federal return. If you have any of these types of income, you will have an addition on your Oregon tax return.

Oregon will automatically adopt any future federal law changes to the definition of taxable income.

Important reminder

You must include a copy of your federal Form 1040, 1040A, 1040EZ, 1040NR, or 1040NR-EZ with your Oregon return. Without this information, many items

claimed on your Oregon return may be disallowed or adjusted.

General information

Do I need to file?

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

Amounts apply to full-year residents only.

Your filing status is:	Number of boxes checked on line 6e of return:	And your gross income is more than:
Dependent	Any	\$1,050*
Single	0	\$5,875
	1	\$7,075
	2	\$8,275
Married filing jointly	0	\$11,755
	1	\$12,755
	2	\$13,755
	3	\$14,755
	4	\$15,755
Married filing separately	0	\$5,875
	1	\$6,875
	2	\$7,875
Head of household	0	\$7,335
	1	\$8,535
	2	\$9,735
Qualifying widow(er)	0	\$8,175
	1	\$9,175
	2	\$10,175

In addition, file a return if:

- You are required to file a federal return.
- You had \$1 or more of Oregon income tax withheld from your wages.

*The larger of \$1,050, or your earned income plus \$350, up to the standard deduction amount for your filing status.

If you had a tax liability in 2014, you need to file a 2015 return to claim your surplus refund (kicker) credit, even if you don't meet the filing requirements above.

How long will it take to get my refund?

Effective after February 1, 2016:

If you e-file your return	7–10 business days
If you mail your return before April 1	
• With 2-D barcode	3–4 weeks
• Without 2-D barcode	10 weeks
If you mail your return on or after April 1	
• With 2-D barcode	4–6 weeks
• Without 2-D barcode	10 weeks
If you amend your return	6 months or longer

Note: If you claim the working family child care credit (WFC) or your return needs additional review, your return may take longer to process.

To check the status of your refund, go to www.oregon.gov/dor and click on Revenue Online.

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 are 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, and
 - Oregon is the center of your financial, social, and family life, and
 - Oregon is the place you intend to return to when you're away.

- You are 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 2015 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 2015. You are **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're an Oregon resident who maintained a permanent home outside Oregon the entire year, and
- You did not keep a home in Oregon during any part of 2015, and
- You spent less than 31 days in Oregon during 2015.

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

Oregon residents living abroad. Usually you're considered a nonresident if you qualify for the federal earned income exclusion or housing exclusion for United States residents living abroad.

What form do I use?

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

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

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

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

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

Forms 40P and 40N are included in the *Part-Year Resident and Nonresident* booklet. Download the booklet from our website, www.oregon.gov/dor, or contact us to order it.

Military personnel

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

Residents (or Oregon-domiciled service members) stationed outside of Oregon. If you meet the requirements on page 6 for special-case Oregon residents or Oregon residents living abroad, file Form 40N from the *Oregon Income Tax Part-year Resident/Nonresident* booklet. File Form 40 if you do not meet the listed 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 below, visit our website, refer to *Publication 17½*, or contact us.

Oregon law was changed to allow military personnel performing active service within Oregon to be 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.

This change is retroactive to January 1, 2012 for tax on military pay for active service within Oregon and tax on non-Oregon source income. If you performed active service in Oregon in 2012, 2013, or 2014, but had an address outside of Oregon in the DFAS payroll records during that time, you may file an amended return to claim a refund of the tax paid on your military pay and income from non-Oregon sources. Interest will not be paid on these amended returns. File Oregon Form 40N, following the instructions listed in *Publication 17½*.

The tax itself is not refundable for years prior to 2012.

Filing for a deceased person

You must file a final personal income tax return for a person who died during the calendar year if the person would have been required to file. See "Do I need to file?" on page 6. If a return is filed, check the "deceased" box next to that individual'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" and have the spouse sign if a joint return. If there is no personal representative for a joint return, only the surviving spouse needs to sign.

Note: Oregon has an estate transfer tax on estates valued at \$1 million or more. The tax is paid by the estate, not by the individuals receiving the inheritance. For more information, check our website or contact us.

When should I file my return?

The filing deadline for calendar year 2015 is **April 18, 2016**. If you can't pay all or any of your tax by the due date, it's important to file your return anyway to avoid a late-filing penalty.

Returns for other tax periods are due by the 15th day of the fourth month after the close of your tax year.

What if I need more time to file?

If you received a federal extension, Oregon will allow the same extension. Be sure to check the extension filed box on your Oregon return. Do **not** include a copy of your federal extension with your Oregon return. Keep it with your records.

An extension does not mean more time to pay!

You must pay all tax you expect to owe by April 18, 2016. If you don't pay all of the tax due, you will owe interest on any unpaid tax after April 18, 2016, until the date of your payment. The 2016 rate is 4 percent per year. If the tax isn't paid within 60 days of the date of our billing notice, the interest rate increases to 8 percent per year. You may also owe a late-payment penalty. If you can't pay all of the tax you expect to owe, pay what you can.

Send your payment by April 18, 2016 using Form 40-V, *Oregon Income Tax Payment Voucher*. Mark the "Extension payment" box on the voucher. Also mark the "Extension filed" box on the return.

Penalties

You will owe a 5 percent late-payment penalty on any 2015 tax not paid by April 18, 2016, even if you have filed an extension. See page 23.

Oregon does not allow an extension of time to pay even if the IRS allows an extension.

If you file your return more than three months after the due date (including extensions), a 20 percent late-filing penalty will be added; you will owe a total penalty of 25 percent of any tax not paid. A 100 percent penalty is charged if you don't file a return for **three consecutive years** by the due date of the third year, including extensions.

2016 estimated tax

Estimated tax is the amount of tax you expect to owe when you file your 2016 Oregon individual income tax return, after credits and Oregon tax withheld.

Oregon estimated tax laws are not the same as federal estimated tax laws. For more information on how to figure your estimated payments for Oregon and how to obtain payment vouchers, refer to the *Instructions for Estimated Income Tax and Form 40-V Payment Voucher*, 150-101-026.

Do I need to make estimated payments?

In most cases, people who **expect to owe \$1,000 or more** on their 2016 Oregon income tax return after credits and withholding must make estimated payments. You may need to make estimated payments if:

- You are self-employed and don't have Oregon tax withheld from your income.
- You receive Oregon Lottery single ticket winnings of less than \$5,000. (**Note:** Single ticket winnings of \$5,000 or more are subject to Oregon withholding.)

- You receive income such as pensions, interest, or dividends; Oregon tax isn't withheld; and you expect to owe tax of \$1,000 or more.
- You're a wage earner and expect to owe tax of \$1,000 or more on your 2016 return. You may want to increase the amount your employer withholds from your Oregon wages. Download the publication *Oregon Income Tax Withholding* from our website or contact us to order it.

When do I pay?

Estimated tax due dates for 2016 taxes are April 18, 2016*; June 15, 2016; September 15, 2016; and January 17, 2017.

If paying with a check or money order, send your payment with Form 40-V and **check the "Estimated payment" box**. Download the form from our website or contact us to order it. If you're paying by credit card or electronic payment from your checking or savings account, see page 23.

* *Send your 2016 estimated tax payment and Oregon Form 40-V in a separate envelope from your 2015 Oregon income tax return. This will help us credit your payment more efficiently.*

Interest on underpayment of estimated tax

You may owe interest for underpaying your estimated tax if:

- You owe \$1,000 or more on your return after credits and withholding, or
- You paid less than 90 percent of the tax due on each estimated tax payment due date.

See the instructions for Form 40, line 41, on page 23.

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 TM, *TriMet Self-Employment Tax Return*, 150-555-001. If you're self-employed and do business in **Lane County**, you may need to file Form LTD, *Lane Transit District Self-Employment Tax Return*, 150-560-001. Go to our website to download the forms, or contact us to order either form. You have the option to file either form electronically on our website; go to www.oregon.gov/dor and click on Revenue Online.

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

File an amended return. Use Form 40 to change (amend) your full-year resident return. Check the "Amended return" box on the form. Complete the Amended Statement on page 4 of the return, including the return line numbers and reason for each change. If your filing status has changed (for example, from single to head of household), explain why.

Fill out your amended return as if it were your original return. Use the worksheet below to calculate your amended tax due or refund.

If you are objecting to adjustments that we made to your return, don't respond by filing an amended return. You must follow the appeal process explained on the notice you received. File an amended return only if the changes you're making are unrelated to the adjustments on our notice.

If you're amending because of a Net Operating Loss (NOL), write the tax year the NOL was generated in the "Tax year the NOL was generated" box; include an explanation and code cite on the Amended Statement if the NOL carry back is greater than two years (see *Publication 17*^{1/2} for further instructions).

If you're filing a protective claim, refer to Form PCR, *Personal Income Tax Protective Claim for Refund*, 150-101-184.

To amend a prior year, visit our website or contact us for a prior year tax booklet.

How long will it take to process my amended return?

Processing time for amended returns varies. It may take six months or longer to process your amended return.

Amended worksheet

Use the following worksheet to determine your additional refund or tax to pay on your amended Form

40. Use this worksheet even if you originally filed on Form 40N or Form 40P. Keep this worksheet with your records.

If any of the numbers on your original return were adjusted, use the adjusted amounts.

If you donated your kicker to the State School Fund, and you received a notice stating some or all of your donated amount has changed, this worksheet might not work for you. Contact us for more information.

- | | |
|--|----------|
| 1. Tax after nonrefundable credits as amended (amended, line 31). | 1. _____ |
| 2. Total payments and refundable credits as amended (amended, line 37). | 2. _____ |
| 3. Subtract line 2 from line 1. If the answer is negative, put a negative number. | 3. _____ |
| 4. Amounts already refunded to you for this period (original, Form 40, line 44; Form 40N, line 69; or Form 40P, line 68). If you didn't receive a refund, enter -0-. | 4. _____ |
| 5. Add lines 3 and 4.
If line 5 is less than -0-, go to line 6.
If line 5 is more than -0-, skip to line 8. | 5. _____ |
| 6. Refund applications as amended. (amended, line 49). | 6. _____ |
| 7. Total refund (line 5 plus line 6). Your refund will be shown as a negative number. | 7. _____ |
| 8. Penalty and interest as amended (amended, line 42). | 8. _____ |
| 9. Total amount to pay (add lines 5 and 8). | 9. _____ |

General instructions for Form 40

Step 1: Fill out your federal form

Complete your federal return first. **Do this even if you are not required to file a federal form.** 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, 1040A, 1040EZ, 1040NR, or 1040NR-EZ with your Oregon return. If you don't provide a copy of your federal return, your Oregon subtractions, deductions, and credits may be adjusted or denied. **Do not** include any federal schedules. We may ask you for copies of schedules or additional information later.

Oregon RDPs: To correctly determine your Oregon tax liability, you must complete a federal income tax return "as if" you were filing married filing jointly or married filing separately. Check the "calculated using 'as-if' federal return" box on the form.

For more information on how to file as an RDP, go to www.oregon.gov/dor/personal.

Step 2: Select the appropriate Oregon form

To decide which form to use, see page 7.

Step 3: Fill out the Oregon form

Use **blue or black ink only** for easier reading and faster processing. 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 "Tax year ending" box on the return.

Check the boxes

Amended return

If you're amending your 2015 return, check the "Amended return" box on the return. See page 9 for instructions.

Calculated using "as if" federal return

Check the box on the return if:

- You're filing as an Oregon RDP; or
- You're filing married filing separately for Oregon only with a different residency status than your spouse; or
- You did not file a federal return.

Extension filed

If you received an extension, check the box on the return. See page 7 for more information.

Bankruptcy

If you're filing a short-year return due to a bankruptcy, fill in the "Tax year ending" box and check the "Bankruptcy" box on the return.

Form 24—Like-kind property exchange or conversions

Check the "Form 24" box on the return if you're electing to defer gain on like-kind property that is exchanged or converted. You will report the gain to Oregon when it's reported on your federal return (federal Form 8824). You must include Oregon Form 24, *Oregon Like-Kind Exchanges/Involuntary Conversions*, 150-800-734, with your Oregon return, or electronically, through our website, www.oregon.gov/dor; click the link for Revenue Online.

Name and address

Type or clearly print you and your spouse's names, Social Security numbers (SSN), dates of birth, complete current mailing address, and daytime telephone number on your return. **Enter your spouse's information even if you're married filing separately.** If a taxpayer died in 2015 or 2016, check the "deceased" box next to their name.

SSN. The request for your SSN is authorized by Section 405, Title 42, of the United States Code. You **must** provide this information. It will be used to establish your identity for tax purposes only.

Individual taxpayer identification number (ITIN). If the IRS issued you an ITIN because you don't have an SSN, enter your ITIN wherever your SSN is requested.

If you don't have an ITIN, you need to request one from the IRS. If you have applied for an ITIN, check the "Applied for" box where your SSN is requested and file your return by April 18, 2016. **Don't** include your ITIN application (federal Form W-7) with your Oregon return. Keep it with your records. For Form W-7, go to the IRS website, www.irs.gov, or call the IRS toll-free at 1 (800) 829-1040. When the IRS issues you an ITIN, send a copy of your ITIN letter to us. **Refunds will not be issued without a valid SSN or ITIN.**

Date of birth. Enter the month, day, and year you were born. For example, "09/22/1976."

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 RDP, you're not eligible to use the single filing status. For Oregon, you're generally **required** to use married filing jointly or married filing separately. For more information, go to our website or contact us.

Exceptions for married persons when each person has a different residency status:

- **Full-year resident and part-year resident.** You may file separate Oregon returns. If you file separate returns for Oregon, you **must** use the married filing separately status. The full-year resident will file Form 40, and the part-year resident will file Form 40P. If you choose to file a joint return for Oregon, use Form 40P.
- **Full-year resident and nonresident.** You may file separate Oregon returns. If you file separate returns for Oregon, you **must** use the married filing separately status. The full-year resident will file Form 40, and the nonresident will file Form 40N. If you choose to file a joint return for Oregon, use Form 40N.
- **Part-year resident and nonresident.** You may file separate Oregon returns. If you file separate returns for Oregon, you **must** use the married filing separately status. The part-year resident will file Form 40P, and the nonresident will file Form 40N. If you choose to file a joint return for Oregon, use Form 40N.

How to file separate returns for Oregon

If you're filing married filing separately for Oregon, fill in your spouse's name, SSN, and date of birth. Report your own share of federal adjusted gross income (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 with both Oregon returns:

- A federal Form 1040, 1040A, 1040EZ, 1040NR, or 1040NR-EZ prepared "as if" you had filed married filing separately, and
- A copy of the joint Form 1040, 1040A, 1040EZ, 1040NR, or 1040NR-EZ you actually filed with the IRS.

If possible, mail both spouses' Oregon returns in the **same** envelope. **Do not** staple the returns together.

For more information, go to our website.

Exemptions

6a & 6b Yourself and spouse. Check the "Regular" exemption boxes for yourself. If you're filing married filing jointly, check the "Regular" exemption box on line 6b for your spouse. **If someone else is able to claim you or your spouse as a dependent, don't check the "Regular" exemption box;** instead, check the corresponding "Someone else can claim you as a dependent" box for yourself or your spouse. Mark this box even if the other person does not claim you as a dependent.

Severely disabled. Did you or your spouse have a severe disability at the end of 2015? If so, you may 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 are considered to have a severe disability if **any** of the following apply:

- You permanently lost the use of one or both feet; or
- You permanently lost the use of both hands; or
- You're permanently blind; or
- 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; or
- You are unable to earn a living due to a permanent condition or impairment of indefinite duration.

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

If you qualify, check the "Severely disabled" exemption box on line 6a. If your spouse qualifies, check the "Severely disabled" exemption box on line 6b. You and your spouse may also qualify for the loss of use of limbs credit. See *Publication 17½* for more information.

Total exemptions for you and spouse. You will receive one exemption if you marked the "Regular" exemption box and no one else is able to claim you. You may also receive one exemption if you have a qualifying severe disability and marked the "Severely disabled" exemption box. Enter the total number of exemptions claimed for yourself on line 6a and for your spouse on line 6b. If someone else can claim you, your exemption will be zero.

6c All dependents. In the chart, enter your dependents' first names, last names, relationship codes using the table below, SSNs, and dates of birth. In most cases, you will list the same dependents you claimed on your federal return. Total the number of dependents claimed on line 6c.

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, step brother, step sister, 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, etc.
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 qualified as your dependent for 2015, **and**
- Your child was eligible for “early intervention services” or received special education as defined by the

State Board of Education of the state where the child attends school, **and**

- Your child has a disability as of December 31, 2015 under the federal Individuals with Disabilities Education Act. Eligible disabilities include:
 - Intellectual disability.
 - Hearing impairment.
 - Visual impairment.
 - Deafblindness.
 - Communication disorder.
 - Emotional disturbance.
 - Orthopedic impairment.
 - Traumatic brain injury.
 - Autism spectrum disorder.
 - Specific learning disorder.

You must get a statement of eligibility that confirms one of the disabilities listed **and** a cover sheet from one of the following:

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

Keep the statement and cover sheet with your permanent records. Mark the “Check if child with qualifying disability” box next to each child with a qualifying disability. Total the number of dependents with a qualifying disability on line 6d.

- 6e Total exemptions:** Add lines 6a through 6d onto line 6e. This is your total number of exemptions.

Form 40 line instructions

The following instructions are for lines not fully explained on the form. For general Form 40 instructions, see page 10.

Do not fill in cents. You must round off cents to the nearest dollar. For example, \$99.49 becomes \$99.00, and \$99.50 becomes \$100.00.

7 Federal adjusted gross income. Enter your federal adjusted gross income from Form 1040, line 37; Form 1040A, line 21; Form 1040EZ, line 4; Form 1040NR, line 36; or Form 1040NR-EZ, line 10. **You must include a copy (front and back) of your federal return 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 40, items claimed on your return may be adjusted accordingly.**

Additions

Generally, additions are items not taxed by the federal government, but taxed by Oregon. Additions increase the income taxed by Oregon.

8 Total additions from Schedule OR-ASC. If you qualify for an addition, you must include Schedule OR-ASC with your return with the numeric code and amount of the addition you're claiming. Enter the total from Schedule OR-ASC, section 1, on Form 40, line 8. For more information, go to our website or refer to *Publication 17½*.

Did you limit itemized deductions on your federal return because your federal adjusted gross income exceeded the threshold amount? If so, you may need to complete a worksheet to determine the correct addition amount for itemized deduction addbacks for Oregon credits. The itemized deduction limit worksheet is available in *Publication 17½* at www.oregon.gov/dor.

Additions are listed below.

- Accumulation distribution of a trust [code 132].
- Basis of business assets transferred to Oregon [code 150].
- Business credit—unused [code 122].
- Charitable donations not allowed for Oregon [code 160].
- Claim of right income repayments [code 103].
- Contributions to Alternative Fuel Vehicle Fund [code 141].
- Contributions to Child Care Fund [code 142].
- Contributions to Oregon Cultural Trust [code 143].
- Contributions to Oregon Production Investment Fund [code 144].

- Contributions to Renewable Energy Development Fund [code 145].
- Contributions to University Venture Development Fund [code 146].
- Depletion in excess of property basis [code 151].
- Depreciation difference for Oregon [code 152].
- Disposition of inherited Oregon farmland or forestland [code 106].
- Domestic production activities deduction [code 102].
- Federal depreciation disconnect [code 153].
- Federal election on interest and dividends of a minor child [code 107].
- Federal estate tax on income in respect of a decedent [code 157].
- Federal income tax refunds [code 109].
- Federal law disconnect [code 131].
- Fiduciary adjustment from Oregon estates and trusts [code 133].
- Gain or loss on the sale of depreciable property with different basis for Oregon [code 154].
- Gambling losses claimed as an itemized deduction [code 134].
- Individual Development Account donation credit add-back [code 138].
- Individual Development Account non-qualified withdrawal [code 137].
- Interest on state and local government bonds outside of Oregon [code 158].
- Lump-sum distribution from a qualified retirement plan [code 139].
- Net operating loss—non-Oregon source [code 116].
- Oregon 529 College Savings Plan non-qualified withdrawal [code 117].
- Oregon deferral of reinvested capital gain [code 118].
- Oregon-only Schedule A items [code 135].
- Partnership and S corporation modifications for Oregon [code 119].
- Passive activity losses [code 155].
- Passive foreign investment company income [code 140].
- Prescription drug plan subsidies [code 123].
- Prior federal subtraction for retirement savings contribution [code 159].
- Refund of Oregon-only Schedule A items from a prior year [code 136].
- Suspended losses [code 156].
- Taxes paid to another state (individual and business) [code 148].

Subtractions

Generally, subtractions are items the federal government taxes but Oregon does not. Subtractions reduce the income taxed by Oregon.

10 2015 federal tax liability subtraction. Complete the following worksheet to determine your federal tax liability subtraction for 2015. Carefully follow the instructions. Don't confuse your **federal tax liability** on your federal return with the **federal tax withheld** on your Form(s) W-2. They are not the same. **RDPs and those filing married filing separately for Oregon only:** Use amounts from your actual return(s), not your "as if" return.

Note: Calculations in addition to those listed below are required if you:

- Need to file a 2015 amended return and you either filed an amended federal return or we corrected the federal tax subtraction on your original return; or
- Filed your federal return on Form 1040NR or 1040NREZ; or
- Claimed recapture taxes on your federal return; or
- Claimed first-time homebuyer credit recapture from Form 1040, line 59b.

If any of the above apply to you, refer to the worksheet in *Publication 17½* to calculate your federal tax subtraction.

1. Enter your federal tax liability from Form 1040, line 56; Form 1040A, line 37; Form 1040 EZ, line 10. 1. _____
2. Enter your excess advance premium tax credit from Form 1040, line 46; Form 1040A line, 29. 2. _____
3. **Subtract** line 2 from 1 (if less than zero, enter zero). 3. _____
4. Enter your additional tax on retirement plans from Form 1040 line 59. 4. _____
5. **Add** lines 3 and 4. 5. _____
6. Enter your American Opportunity credit from Form 1040, line 68; Form 1040A, line 44. 6. _____
7. Enter your total premium tax credit from Form 8962, line 24. 7. _____
8. **Add** lines 6 and 7. 8. _____
9. **Subtract** line 8 from 5 (if less than zero, enter zero). 9. _____
10. Enter your maximum allowable tax liability subtraction from the table. Don't fill in less than zero or more than \$6,450. 10. _____
11. Enter the **smaller** of line 9 or line 10 here and on Form 40, line 10. 11. _____

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	\$6,450
	\$125,000	\$130,000	\$5,150
	\$130,000	\$135,000	\$3,850
	\$135,000	\$140,000	\$2,550
	\$140,000	\$145,000	\$1,250
	\$145,000 or more		-0-
Married filing separately	-0-	\$125,000	\$3,225
	\$125,000	\$130,000	\$2,575
	\$130,000	\$135,000	\$1,925
	\$135,000	\$140,000	\$1,275
	\$140,000	\$145,000	\$625
	\$145,000 or more		-0-
Married filing jointly, or	-0-	\$250,000	\$6,450
	\$250,000	\$260,000	\$5,150
	\$260,000	\$270,000	\$3,850
Head of household, or	\$270,000	\$280,000	\$2,550
	\$280,000	\$290,000	\$1,250
Qualifying widow(er)	\$290,000 or more		-0-

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

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

Are you amending your 2015 return? Usually you can't change your federal tax subtraction on your amended return. See *Publication 17½* for more information before making changes to this subtraction.

Federal tax from a prior year and foreign tax. Did you pay additional federal tax in 2015 because you were audited or filed an amended return? Did you pay taxes to a foreign country? If so, you may be able to subtract the additional tax. See *Publication 17½* for more information before making changes to this subtraction.

11 Social Security and tier 1 Railroad Retirement Board benefits income. Fill in the amount from federal Form 1040, line 20b; or Form 1040A, line 14b. If you have tier 2, windfall/vested dual, or supplemental Railroad Retirement Board benefits, these are subtracted in section 2 of the Schedule OR-ASC, using code 330. For more information, contact us.

12 Oregon income tax refund included in federal income. Fill in your Oregon state income tax refund from federal Form 1040, line 10. **Do not include local, county, or other states' tax refunds.**

13 Total subtractions from Schedule OR-ASC. If you qualify for a subtraction that is not claimed on the return, you must include Schedule OR-ASC with your return with the numeric code and amount of the subtraction you're claiming. Enter the total from Schedule OR-ASC, section 2, on Form 40, line 13. For more information, go to our website or refer to *Publication 17½*.

Subtractions are listed below. Items with an asterisk are explained beneath the listing.

- American Indian [code 300].
- Artist's charitable contribution [code 301].
- Basis of business assets transferred to Oregon [code 358].
- Capital Construction Fund (CCF) [code 339].
- Construction worker and logger commuting expenses [code 303].
- Depreciation difference for Oregon [code 354].
- DISC dividend payments [code 352].
- Discharge of indebtedness [code 350].
- Federal business and health coverage credits [code 340].
- Federal education credits (tuition and fees deduction) [code 308].*
- Federal gain previously taxed by Oregon [code 306].
- Federal income tax from a prior year [code 309].
- Federal pension income [code 307].
- Fiduciary adjustments from Oregon estates and trusts [code 310].
- Film production labor rebate [code 336].
- Foreign tax [code 311].
- Gain or loss on the sale of depreciable property with a different basis for Oregon [code 355].
- Individual Development Account contribution [code 314].
- Interest and dividends from U.S. government bonds and notes [code 315].
- Interest from local government bonds [code 317].
- Land donations to educational institutions [code 316].
- Legislative Assembly salary and expenses [code 335].
- Military active duty pay [code 319].
- Mobile home park capital gain [code 338].
- Mobile home tenant payment [code 344].
- Mortgage interest credit [code 320].
- Net operating loss [code 321].
- Oregon 529 College Savings Plan deposit [code 324].*
- Oregon investment advantage [code 342].
- Oregon Lottery winnings [code 322].
- Partnership or S corporation modifications for Oregon [code 323].
- Passive activity losses [code 356].
- Previously taxed employee retirement plans [code 327].
- Previously taxed IRA conversions [code 348].
- Public Safety Memorial Fund award [code 329].
- Railroad Retirement Board benefits: tier 2, windfall/ vested dual, supplemental, and railroad unemployment benefits [code 330].
- Scholarship awards used for housing expenses [code 333].
- Special Oregon medical subtraction [code 351].*
- Suspended losses [code 357].
- Taxable benefits paid for former RDPs [code 347].

- U.S. government interest on IRA or Keogh distributions [code 331].

Federal education credits (tuition and fees deduction) [code 308]. *Note: The tuition and fees deduction was expired at the time this publication was printed. If Congress didn't reinstate this deduction, you aren't allowed a tuition and fees deduction for Oregon.* Did you claim the American Opportunity or Lifetime Learning credit on your federal return? If so, you were not allowed a federal tuition and fees deduction because you claimed the federal credit. Because Oregon does not have credits similar to the American Opportunity or Lifetime Learning credits, you can subtract the federal tuition and fees deduction on your Oregon return up to the amount you would have been allowed on your federal return. You can claim the lesser of the federal limit (\$4,000 or \$2,000, depending on your income) or your actual expenses. You can't claim the deduction if:

- You file married filing separately;
- You can be claimed as a dependent by another person; or
- Your federal modified AGI is more than \$80,000 (\$160,000 if filing married filing jointly).

Oregon 529 College Savings Plan deposits [code 324]. You can subtract up to \$4,600 for joint returns or up to \$2,300 for all other returns for contributions made to a 529 Oregon College Savings Network account in 2015. If you contribute more than your limit, you can carry forward the remaining contribution not subtracted over the next four years. Rollovers from other 529 plans into an Oregon 529 plan are considered new contributions and qualify for the subtraction. Keep a copy of your account statement with your tax records. For more information, go to www.oregoncollegesavings.com or call 1 (866) 772-8464.

Special Oregon medical subtraction [code 351]. If you or your spouse were age 63 or older on December 31, 2015 and have qualifying medical and/or dental expenses, you may qualify for the special Oregon medical subtraction. See the 2015 IRS *Publication 502* for types of qualifying medical and dental expenses. You **cannot** subtract medical and dental expenses:

- For anyone under age 63;
- For dependents, regardless of their age; or
- That have already been deducted on your return.

You may not claim a subtraction if your federal adjusted gross income exceeds \$200,000 (\$100,000 for those who file as single or married filing separately). Use the worksheet below to determine the amount of your subtraction.

Shared expenses. Did you have medical expenses or dental expenses for more than one person? If so, you must determine which expenses belong to each

qualifying taxpayer. Start by totaling all expenses for each qualifying taxpayer. If you have expenses that are for more than one person, such as insurance premiums, split the expense by the most reasonable method. For example, two qualifying taxpayers filing jointly who paid \$4,000 in insurance premiums during the year would split the expenses in half, or \$2,000 each. For more information on how to split shared expenses, refer to *Publication 17*^{1/2}.

Special Oregon medical subtraction worksheet instructions

For worksheet lines 1 through 7, complete column A for yourself first and then complete column B for your spouse using the following instructions.

Line 1: Medical and dental expenses for each taxpayer—If you were age 63 or older on December 31, 2015, enter **your** total qualifying medical and dental expenses. See “Shared expenses” above for information about splitting expenses, such as insurance premiums. If your medical expenses were not included in your itemized deductions (Schedule A, line 1) or you didn’t itemize your deductions, skip lines 2–4, enter the amount from line 1 on line 5, and go to line 6. If you don’t have qualifying expenses or were not age 63 or older on December 31, 2015—**STOP**. You don’t qualify for the subtraction based on your expenses. Complete column B for your spouse to see if you can still qualify for the subtraction based on their expenses.

Line 2: Total medical and dental expenses—Enter the total medical and dental expenses claimed as an itemized deduction (Schedule A, line 1).

Line 3: Divide line 1 by line 2 and round to three decimal places. For example, 0.7308 is rounded to 0.731.

Line 4: Enter the lesser of the medical and dental expenses claimed on line 1 of your Schedule A or the amount claimed on line 3 of your Schedule A.

Line 5: Multiply line 3 and line 4 and round to whole dollars. For example, \$101.49 is rounded to \$101.

Line 6: Enter the maximum allowable medical subtraction for your filing status and federal adjusted gross income from the table. Don’t enter more than \$1,800.

Line 7: Enter the lesser of line 5 or line 6.

Line 8: Add the amounts from line 7 column (A) and column (B). This is your special Oregon medical subtraction. Enter this amount on the Schedule OR-ASC, section 2, using code 351.

Special Oregon medical subtraction worksheet

	Column (A) You	Column (B) Spouse
1. Medical and dental expenses for each qualifying taxpayer.	1. _____	1. _____
2. Total medical and dental expenses (Schedule A, line 1).	2. _____	2. _____
3. Divide line 1 by line 2 and round to three decimal places.	3. _____	3. _____
4. Enter the lesser of the expenses claimed on line 1 of your Schedule A, or the amount on line 3 of your Schedule A.	4. _____	4. _____
5. Multiply line 3 by line 4 and round to whole dollars.	5. _____	5. _____
6. Maximum allowable medical subtraction from the table. (\$1,800 maximum).	6. _____	6. _____
7. Enter the lesser of line 5 or line 6.	7. _____	7. _____
8. Add line 7, columns (A) and (B), and enter the total. This is your special Oregon medical subtraction.	8. _____	8. _____

If your filing status is:	And your federal adjusted gross income from line 7 of Form 40 is:		Then your maximum allowable medical subtraction per taxpayer meeting the age requirement is:
	at least—	but less than—	
Married filing jointly, or Head of household, or Qualifying widow(er)	-0-	\$50,000	\$1,800
	\$50,000	\$100,000	\$1,400
	\$100,000	\$200,001	\$1,000
	\$200,001 or more		-0-
Single or Married filing separately	-0-	\$25,000	\$1,800
	\$25,000	\$50,000	\$1,400
	\$50,000	\$100,001	\$1,000
	\$100,001 or more		-0-

Example: Brennan and Maggie were ages 64 and 63 on December 31, 2015. They are filing a joint return with a federal adjusted gross income of \$55,000 and are itemizing deductions for Oregon. In 2015, they paid \$5,700 in medical expenses that they claimed on Schedule A. Of that, \$3,500 was for Brennan’s expenses, \$1,000 for

Maggie's expenses, and \$1,200 for Maggie's mother who they claim as a dependent. Both Brennan's and Maggie's expenses qualify for the special Oregon medical subtraction. Since Maggie's mother is a dependent, her expenses don't qualify for the subtraction. Brennan and Maggie would determine their subtraction as follows.

Special Oregon medical subtraction worksheet

	Column (A) You	Column (B) Spouse
1. Medical and dental expenses for each qualifying taxpayer.	1. <u>\$3,500</u>	1. <u>\$1,000</u>
2. Total medical and dental expenses (Schedule A, line 1).	2. <u>\$5,700</u>	2. <u>\$5,700</u>
3. Divide line 1 by line 2 and round to three decimal places.	3. <u>0.614</u>	3. <u>0.175</u>
4. Enter the lesser of the expenses claimed on line 1 of your Schedule A, or the amount on line 3 of your Schedule A.	4. <u>\$5,500</u>	4. <u>\$5,500</u>
5. Multiply line 3 by line 4 and round to whole dollars.	5. <u>\$3,377</u>	5. <u>\$963</u>
6. Maximum allowable medical subtraction from the table. (\$1,800 maximum).	6. <u>\$1,400</u>	6. <u>\$1,400</u>
7. Enter the lesser of line 5 or line 6.	7. <u>\$1,400</u>	7. <u>\$963</u>
8. Add line 7, columns (A) and (B), and enter the total. This is your special Oregon medical subtraction.	8. <u>\$2,363</u>	

Deductions

You can claim **net itemized deductions** or **Oregon's standard deduction**, whichever is larger, **but not both**.

- If you claim itemized deductions, fill in lines 16–18.
- If you claim the standard deduction, fill in line 19 and, if applicable, line 19a.

Note: If you're filing married filing separately and one spouse itemizes, both spouses must use itemized deductions. If your spouse itemizes and you don't, your standard deduction is -0-.

16 Itemized deductions. You can claim your total itemized deductions after federal limitations as shown on federal Schedule A, line 29.

You can claim itemized deductions on your Oregon return even if you don't itemize on your federal return. **If you itemize for Oregon only**, fill out a federal Schedule A for Oregon purposes. Be sure to include your state taxes even when itemizing for Oregon only, then subtract your Oregon state income tax on line 17. Use your federal AGI to figure the Schedule A limitations. Remember to keep Schedule A with your tax records.

17 State income tax or sales tax claimed as an itemized deduction. *Note: The ability to claim sales tax as a deduction on Schedule A was expired at the time this publication was printed. If Congress didn't reinstate this deduction, you aren't allowed a deduction of sales tax for Oregon.* Fill in the amount of **Oregon** state income tax or any state and local sales tax you claimed as an itemized deduction on federal Schedule A, line 5. Don't include local or county income tax amounts.

Are you claiming an Oregon credit for income taxes paid to another state and deducting the other state's taxes on Schedule A? If so, include the other state's 2015 net tax liability, or the other state's 2015 tax claimed as an itemized deduction, whichever is less. For the credit instructions, see *Publication 17½*.

Did you limit itemized deductions on your federal return because your AGI exceeded the threshold amount? If so, you may need to complete a worksheet to determine the correct amount of Oregon income tax to subtract from itemized deductions. The itemized deduction limit worksheet is available in *Publication 17½*.

19 Standard deduction. Your standard deduction is based on your filing status:

Single.....	\$2,145
Married filing jointly.....	4,295
Married filing separately	
If spouse claims standard deduction.....	2,145
If spouse claims itemized deductions.....	-0-
Head of household.....	3,455
Qualifying widow(er).....	4,295

Standard deduction—Age 65 or older, or blind. Check the applicable boxes on line 19a if you or your spouse were age 65 or older or were blind on December 31, 2015. You are 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 page 11 for more information.

If you checked one or more of the boxes on line 19a, multiply the number of boxes checked by:

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

Add this amount to the standard deduction for your filing status from above. Fill in the total on line 19.

Standard deduction—Dependents. 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; or
- \$1,050.

This limit applies if you can be claimed as a dependent on another person's return, but are not claimed by the other person.

If you're a dependent, use the following worksheet to figure your standard deduction, unless you're married. If you're a dependent and married, contact us.

Standard deduction worksheet for single dependents

- | | |
|---|-------------------------|
| 1. Enter your earned income. (See definition below.) | 1. _____ |
| 2. Additional \$350. | 2. <u> 350 </u> |
| 3. Add lines 1 and 2. | 3. _____ |
| 4. Minimum standard deduction. | 4. <u> 1,050 </u> |
| 5. Enter the larger of line 3 or line 4. | 5. _____ |
| 6. Basic standard deduction for single. | 6. <u> 2,145 </u> |
| 7. Enter the smaller of line 5 or line 6. | 7. _____ |
| 8. If you're age 65 or older, 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. Enter the total here and on Form 40, line 19. This is your standard deduction. | 10. _____ |

Earned income is 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-.

Oregon tax

22 Tax from tax tables or tax rate charts. Figure the tax on your Oregon taxable income, line 22. Go to the tax tables or rate charts on pages 27–29. Fill in your tax amount on line 22. Double-check that the tax you entered is correct.

Example 1: A single Oregon taxpayer has taxable income of \$19,500. The taxpayer will use column S on page 28. The tax is \$1,525.

Example 2: A married couple has Oregon taxable income of \$75,500. They are filing jointly. They will use the married filing jointly rate chart J on page 29. They figure their tax like this:

Oregon taxable income	\$75,500
Subtract	– <u> 50,000 </u>
	25,500
Multiply by 9%	× <u> 0.09 </u>
	2,295
Then add	+ <u> 4,030 </u>
Their Oregon tax is	<u> \$6,325 </u>

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

Farm income averaging method. You can 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.

If you use Form FIA-40, *Oregon Farm Income Averaging for Full-Year Residents*, 150-101-160, to calculate your tax, enter the tax amount from Form FIA-40, line 22, on Form 40, line 22. Check box 22a labeled "Form FIA-40." Don't include a copy of Form FIA-40 with your Oregon return. Keep it with your records. Download the form from our website or contact us to order it.

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.

If you use Worksheet FCG, *Farm Liquidation Long-Term Capital Gain Tax Rate*, 150-101-167, to calculate your tax, enter the tax amount from Worksheet FCG, line 7, on Form 40, line 22. Check box 22b labeled "Worksheet FCG." Don't include a copy of Worksheet FCG with your Oregon return. Keep it with your records. Download the form from our website or contact us to order it.

Oregon pass-through entity (PTE) reduced tax rate. For tax years beginning on or after January 1, 2015, an individual with qualifying income from a partnership or an S corporation may elect to use a reduced tax rate for that income. The reduced tax rate can be used for qualifying income up to \$5 million. For the income to qualify for the reduced tax rate, it must be nonpassive income from a partnership or S corporation that employed at least one employee in Oregon for a total of at least 1,200 hours. See Schedule OR-PTE, *Pass-Through Entity Income Reduced Tax Rate for Oregon Full-Year Resident*, 150-101-365, to calculate your tax.

If you use Schedule OR-PTE to calculate your tax, enter the tax amount from Schedule OR-PTE, line 14a, on

Form 40, line 22. Check box 22c labeled "Schedule OR-PTE." Download the form from our website or contact us to order it. You must include this form with your Oregon return or submit it at www.oregon.gov/dor; click the link for Revenue Online.

The election to use the Oregon PTE reduced tax rate can only be made on an original return. **This election is irrevocable.** If you use this reduced tax rate on your original return, you must use this rate on your amended return even if it is not more beneficial.

23 Interest on certain installment sales. Do 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. The amount due for Oregon is computed the same as the federal amount. The interest rate for 2015 is 0.3333 percent per month.

Credits—Nonrefundable

Standard credits are nonrefundable and can't be more than your Oregon tax liability. Carryforward credits have a carryforward provision that allows you to use the remaining balance in the next year. Use standard credits before carryforward credits on your 2015 return.

For business tax credits available to S corporation shareholders, refer to *Publication 17½*.

25 Exemption credit. If your federal AGI does not exceed the threshold amount for your filing status below, multiply the total number of exemptions claimed on line 6e of Form 40 by \$194. This is your exemption credit.

An exemption credit isn't allowed if your federal adjusted gross income on line 7 of Form 40 exceeds:

- \$200,000 for married filing jointly, head of household, or qualifying widow(er) filers; or
- \$100,000 for married filing separately or single filers.

Note: The income limitation does not apply for the severely disabled or disabled children exemptions. If you claimed severely disabled in box 6a or 6b, or disabled children in 6d, multiply the number of exemptions claimed by \$194 and enter the total on line 25.

26 Political contribution credit. Fill in your total political contributions, up to \$100 on a joint return or up to \$50 on all others. Your contribution(s) of money must have been made during 2015 to any of the following:

- A political party.
- A qualified candidate (or the candidate's principal campaign committee) for federal, state, or local office to be voted for in Oregon.

- A political action committee certified in Oregon.

Note: A political contribution credit isn't allowed if your federal AGI on line 7 of Form 40 exceeds:

- \$200,000 for married filing joint filers; or
- \$100,000 for all other filers.

27 Total standard credits from Schedule OR-ASC. If you qualify for a standard credit, you must include Schedule OR-ASC with your return with the numeric code and amount of the standard credit you're claiming. Enter the total from Schedule OR-ASC, section 3, on Form 40, line 27. For more information, go to our website or refer to *Publication 17½*.

Standard credits are listed below.

- Elderly or disabled [code 801].
- Income taxes paid to another state [code 802].
- Individual Development Account withdrawal for home purchase [code 803].
- Loss of use of limbs [code 804].
- Low-income caregiver credit [code 805].
- Mutually taxed gain on the sale of residential property [code 806].
- Oregon Cultural Trust contributions [code 807].
- Oregon Veterans' Home physicians [code 808].
- Reservation enterprise zone [code 810].
- Retirement income [code 811].
- Rural EMTs [code 812].
- Rural health practitioners [code 813].
- University Venture Development Fund [code 814].

28 Total carryforward credits from Schedule OR-ASC. If you qualify for a carryforward credit, you must include Schedule OR-ASC with your return, with the numeric code and amount of the carryforward credit you're claiming. Enter the total from Schedule OR-ASC, section 4, on Form 40, line 28. For more information, go to our website or refer to *Publication 17½*.

Carryforward credits are listed below. Items with an asterisk are explained beneath the listing.

- Agriculture workforce housing [code 835].
- Alternative fuel vehicle auction [code 865].
- Biomass production/collection [code 838].
- Business energy [code 839].
- Child and dependent care [code 840].*
- Child Care Fund contributions [code 841].
- Crop donation [code 843].
- Diesel engine replacement carryforward [code 844].
- Electronic commerce zone investment [code 845].
- Employer-provided dependent care assistance [code 846].
- Employer scholarship [code 847].
- Energy conservation project [code 849].
- Fish screening devices [code 850].

- Individual Development Account donation [code 852].
- Oregon low-income community jobs initiative [code 855].
- Oregon Production Investment Fund [code 856].
- Pollution control facilities [code 857].
- Renewable energy development contributions [code 859].
- Renewable energy resource equipment manufacturing facility carryforward [code 860].
- Residential energy [code 861].
- Riparian land carryforward [code 862].
- Transportation projects [code 863].

Child and dependent care credit [code 840]. You're allowed an Oregon credit only if you qualify for the federal child and dependent care credit. You may still be able to claim the Oregon credit even if you can't use all of your federal credit. Note to RDPs: Use your "as if" federal return to see if you qualify for the Oregon credit.

Use the following worksheet:

1. Enter the amount from federal Form 2441, line 6. Do **not** enter more than \$3,000 for one qualifying child or \$6,000 for two or more qualifying children. 1. _____
2. Enter the decimal amount from the following table. 2. _____

If your federal taxable income from Form 1040, line 43; or Form 1040A, line 27 is:		Your decimal amount is:
Over—	But not over—	
—	\$5,000	0.30
5,000	10,000	0.15
10,000	15,000	0.08
15,000	25,000	0.06
25,000	35,000	0.05
35,000	45,000	0.04
45,000	—	0.00

3. Multiply the amount on line 1 by the decimal on line 2. Enter here and on Schedule OR-ASC in section 4 using code 840. 3. _____

Did you pay 2014 child care expenses in 2015? If so, you may be able to use that amount to increase your 2015 Oregon child and dependent care credit. For more information, please contact us.

Carryforward. Your total 2015 child and dependent care credit can't be more than your 2015 Oregon tax liability. You can carry forward any excess credit over the next five years. If the excess isn't used within five years, it's lost.

Tax payments and refundable credits

32 Oregon income tax withheld. Fill in the total Oregon tax withheld from your wages and other income shown on your Form(s) W-2, box 17, or on your Form(s) 1099. Don't use the FICA (Social Security) tax withheld. Don't use tax withheld from your wages by other states. **You must include a readable and unaltered copy** of your Form W-2 from each job and any Form(s) 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 your Oregon tax withheld, such as a copy of a final paycheck stub or a letter from your employer. If you file before February 1, 2016, we can accept only Form(s) W-2 or 1099 as proof.

If you have tax to pay this year, you may want to increase the amount your employer withholds from your 2016 Oregon wages. Download *Oregon Income Tax Withholding*, 150-206-643, from our website or contact us to order it.

33 Amount applied from your prior year's tax refund. Fill in the amount of any prior year refund you applied to your 2015 estimated tax. If we adjusted your applied refund, be sure to use the adjusted amount. If you need to verify your applied payment amount, go to our website, www.oregon.gov/dor, and click the link for Revenue Online, or contact us.

34 Estimated tax payments for 2015. Fill in the total estimated tax payments you made before filing your 2015 Oregon return. These payments were due April 15, 2015; June 15, 2015; September 15, 2015; and January 15, 2016. Include **all** payments you made up to the date you filed your original or amended return. Don't include the amount already reported on line 33. Go to our website, www.oregon.gov/dor and click on Revenue Online, or contact us to verify the amount of payments you made toward the 2015 tax period.

35 Oregon surplus credit (kicker). The Oregon surplus credit is a refundable credit claimed on your 2015 Oregon tax return. The credit is 5.6 percent of your 2014 Oregon tax liability (2014 Form 40, line 31) as adjusted or amended, reduced by any credit claimed for income taxes paid to another state (2014 Form 40, line 38). The surplus credit percentage has been determined by the Oregon Department of Administrative Services in accordance with Oregon Revised Statute 291.349. In order to claim the Oregon surplus credit, you must file a 2015 return, even if you're not otherwise required to do so. You must have filed your 2014 Oregon return before you can claim a surplus credit on your 2015 Oregon return. Use the worksheet on page 22 to determine the amount of your surplus credit.

Amended returns. If your 2014 return is amended or adjusted after you claim your 2015 surplus credit, we will automatically adjust your 2015 surplus credit amount. You will not need to amend your 2015 return for this reason only. If your amended return reduces your 2014 tax liability, you may owe additional tax on your 2015 return if your kicker is reduced. This may cause additional interest or penalties to be charged on your 2015 return. You may review your account balance at www.oregon.gov/dor; click the link for Revenue Online.

Do you need help calculating your surplus credit? If you're filing your 2015 return using a similar filing status as your 2014 return (joint or non-joint), you may be able to determine your credit amount by visiting our website, www.oregon.gov/dor, and clicking on Revenue Online.

Special circumstances. If your marital filing status or spouse changed in 2015, you must complete the surplus credit worksheet using the following special instructions.

- **If your filing status changed from single, head of household, qualifying widow(er), or married/RDP filing separately in 2014 to married filing jointly in 2015**, the surplus credit allowed on the joint return is the combination of each individual's surplus credits as calculated based on the separate 2014 returns.

Special instructions: Calculate each individual's surplus credit separately using the worksheet. Add the credit amounts together for the total surplus credit.

Example: Emir and Olivia each filed their 2014 Oregon personal income tax returns using the single filing status. Emir had a total personal income tax liability of \$8,000 (2014 Form 40, line 31) and a credit for income taxes paid to another state of \$500 (2014 Form 40, line 38). Olivia had a total personal income tax liability of \$3,000 (2014 Form 40, line 31) and no credit for income taxes paid to another state. In 2015, Emir and Olivia marry. Their surplus credit is determined with a percentage of 5.6 percent. Emir and Olivia file their 2015 Oregon personal income tax return jointly. They must calculate their surplus credit separately and report the sum on their return. Emir's surplus credit is \$420 $[(\$8,000 - \$500) \times 0.056]$ and Olivia's surplus credit is \$168 $(\$3,000 \times 0.056)$. The surplus credit for their 2015 joint Oregon personal income tax return is \$588.

- **If your filing status changed from married filing jointly in 2014 to single, head of household, or married filing separately in 2015**, the surplus credits claimed by each taxpayer on their 2015 separate returns are prorated based on each individual's percentage of the 2014 federal adjusted gross income (AGI).

Special instructions: Determine your percentage of the 2014 AGI (2014 Form 40, line 8) by taking your income included in the AGI and dividing it by the total AGI. Enter this percentage as a decimal (for example, 50 percent is 0.5) on line 4 of the worksheet.

Example: Ella and Eduardo are married and filed their 2014 Oregon personal income tax return using the married filing jointly filing status. Their total AGI is \$90,000 (2014 Form 40, line 8). Their total personal income tax liability is \$6,500 (2014 Form 40, line 31) and their credit for income taxes paid to another state is \$300 (2014 Form 40, line 38). Ella's portion of the total AGI is \$40,000, or 44 percent $(\$40,000 \div \$90,000)$. Eduardo's portion of the total AGI is \$50,000, or 56 percent $(\$50,000 \div \$90,000)$. In 2015, Ella and Eduardo divorced and neither remarried during the year. Their surplus credit is determined with a percentage of 5.6 percent. When Ella and Eduardo file their separate 2015 Oregon personal income tax returns, they will calculate separate surplus credits based on their 2014 AGI percentages. Ella's surplus credit is \$153 $[(\$6,500 - \$300) \times 0.44 \times 0.056]$. Eduardo's surplus credit is \$191 $[(\$6,500 - \$300) \times 0.55 \times 0.056]$.

- **If you filed married filing jointly in 2014 and filed married filing jointly in 2015, but with a different spouse**, the surplus credit allowed on the joint return with a new spouse is the combination of each individual's surplus credit prorated based on each taxpayer's portion of the 2014 AGI amounts.

Special instructions: To determine the correct surplus credit amount for the 2015 joint Oregon return, calculate each individual's surplus credit separately. Determine your percentage of the 2014 AGI (2014 Form 40, line 8) by following the instructions in the example above. Enter your AGI percentage as a decimal on line 4 of the worksheet. Once the credits for both taxpayers have been calculated, add the amounts together.

Example: Cortney and Orlando were married in 2014 and filed their Oregon personal income tax return using the married filing jointly filing status. Their total AGI is \$80,000 (2014 Form 40, line 8). Their total personal income tax liability is \$7,500 (2014 Form 40, line 31). They do not have a credit for taxes paid to another state. Cortney's portion of the total AGI is \$48,000, or 60 percent $(\$48,000 \div \$80,000)$. Orlando's portion of the total AGI is \$32,000, or 40 percent $(\$32,000 \div \$80,000)$. In February of 2015, Cortney and Orlando finalized their divorce. Cortney married Justin in December of 2015. Justin filed his 2014 Oregon personal income tax return using the single filing status. His total personal income tax liability was \$2,000 (2014 Form 40, line 31) and his credit for taxes paid to another state is \$200. Their surplus credit is determined with a percentage of 5.6 percent.

When Courtney and Justin file their joint 2015 Oregon personal income tax return, they must each calculate their surplus credits separately and report the sum on their joint return. Courtney's surplus credit is \$252 ($\$7,500 \times 0.60 \times 0.056$). Justin's surplus credit is \$101 [$(\$2,000 - \$200) \times 0.056$]. They will then add their separate credits together for a total joint 2015 surplus credit of \$353. Orlando's surplus credit is \$168 ($\$7,500 \times 0.40 \times 0.056$).

- **Death of individual or spouse.** If an individual died during 2014 or 2015, the taxpayer's representative may file a return on his or her behalf to claim the surplus credit. If one of the two taxpayers on the 2014 jointly filed Oregon return dies, the surviving taxpayer may claim the full amount of the surplus credit.

Surplus credit worksheet

1. Tax before credits reported on your **2014** Oregon Form 40, line 31; Form 40N, line 53; or Form 40P, line 52. 1. _____
 2. Credit for income taxes paid to another state reported on your **2014** Oregon Form 40, line 38; Form 40N, line 55; or Form 40P, line 55. 2. _____
 3. Total 2014 tax before credits and after income taxes paid to another state (subtract line 2 from line 1). If line 2 is more than line 1, enter -0-. 3. _____
 4. Percentage of federal AGI (decimal value). Enter *your* portion of the AGI claimed on your 2014 return as a decimal. For example, 55 percent is 0.55. AGI can be found on your **2014** Oregon Form 40, line 8; or Form 40N and Form 40P, line 30. 4. _____
- If you did not file married filing jointly in 2014 and changed to another filing status other than qualifying widow(er) in 2015, enter 1 (for 100 percent).*
- If you filed married filing jointly in 2014 and changed to another filing status other than qualifying widow(er) or you are filing jointly in 2015 with a different person than in 2014, follow the examples above to determine your percentage of 2014 AGI.*
5. Your total tax before credits and after income taxes paid to another state (multiply line 3 by line 4). Round to the nearest dollar. For example, \$101.49 is rounded to \$101. 5. _____

6. Oregon surplus credit percentage (decimal value). The 2015 Oregon surplus credit percentage is 5.6 percent. This amount has been filled in for you. 6. 0.056
7. **Surplus credit amount.** Multiply line 5 by line 6. Round to the nearest dollar. **This is your surplus credit amount.** 7. _____

Claiming your surplus credit. If you would like to claim your surplus credit, enter this amount on your 2015 Oregon Form 40, line 35. Enter -0- on line 52a and **do not mark the box on line 52.**

Donating your surplus credit. You can elect to donate your surplus credit to the Oregon State School Fund. The fund is used for public elementary and secondary education.

If you would like to donate your **entire** surplus credit to the Oregon State School Fund, enter -0- on your 2015 Oregon Form 40, line 35. Check the box on line 52 and enter the surplus credit amount (from line 7 above) on Form 40, line 52a. Your refund will first offset to any amount owing on your original 2015 Oregon return and any other past due liabilities prior to being donated to the Oregon State School Fund. **Note: This election is irrevocable.**

If you would like to donate a **portion** of your refund to the Oregon State School Fund, follow the steps to claim your surplus refund above. You can then either send a check to the school district of your choice or to the Oregon State School Fund, which will be distributed to all school districts. The Oregon State School Fund's address is:

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

36 Total refundable credits from Schedule OR-ASC. If you qualify for a refundable credit, you must include Schedule OR-ASC with your return with the numeric code and amount of the refundable credit you're claiming. Enter the total from Schedule OR-ASC, section 5, on Form 40, line 36. For more information go to our website, refer to *Publication 17*^{1/2}, or contact us.

Refundable credits are listed below. Items with an asterisk are explained beneath the listing.

- Claim of right [code 890].
- Earned income [code 894].*
- Mobile home park closure [code 891].
- Wolf depredation [code 892].
- Working family child care [code 893].*

Earned income credit [code 894]. You're allowed an Oregon earned income credit only if you qualify for the earned income credit on your federal return. Your Oregon credit is 8 percent of your federal credit. For example, if your federal credit is \$400, your Oregon credit is \$32 (\$400 × 0.08). **Note to RDPs:** Use your "as if" federal return to see if you qualify for the Oregon credit.

Use the following formula to figure your credit:

1. Enter your federal earned income credit from Form 1040, line 66a; Form 1040A, line 42a; or Form 1040EZ, line 8a. 1. _____
2. Multiply the amount on line 1 by 8 percent (0.08). Enter the result here and on Schedule OR-ASC in section 5 using code 894. 2. _____

Working family child care credit [code 893]. This credit is available to low-income working families with qualifying child care expenses. To see if you qualify, check the Schedule WFC instructions at www.oregon.gov/dor by clicking the link for forms. You must include a completed Schedule WFC and federal return with your Oregon return if claiming this credit.

Penalties and interest

40 Penalty and interest. Your tax is due by April 18, 2016. Your return is also due by April 18, 2016, unless you receive an extension.

Penalty. Include a penalty payment if you:

- Mail your payment after April 18 (even if you have an extension to file).
- File your return showing tax to pay after the due date or extension due date.

The late-payment penalty is 5 percent of the unpaid balance of your tax.

If you file more than three months after the due date or the extension due date, a 20 percent late-filing penalty will be added; that is, you will owe a total penalty of 25 percent of any tax not paid.

Interest. If you're paying your tax after April 18, 2016, include interest on any unpaid tax.

An interest period is each full month starting with the day after the due date. For example, April 16 to May 15 is a full month and an interest period. The 2015 interest rate is 4 percent per year (0.3333 percent per month).

Interest is figured daily for periods of less than a month. Here's how to figure daily interest:

$$\text{Tax} \times 0.000110 \times \text{number of days}$$

If the tax isn't paid within 60 days from the date of our bill, the interest rate increases to 8 percent per year.

Note: Don't calculate interest if you file late and expect a refund.

41 Interest on underpayment of estimated tax. For 2015, you'll have an underpayment if you paid less than 90 percent of the tax due on **each** estimated tax payment due date or if tax owed is more than \$1,000. **Note:** You may be charged interest on underpayment of estimated tax even if you receive a refund on your return.

Use Form 10, *Underpayment of Oregon Estimated Tax*, 150-101-031, to determine if you have an underpayment. Download the form from our website or contact us to order it.

If you have an underpayment, fill in the amount of interest due from Form 10, line 34, on Form 40, line 41. You must include Form 10 with your Oregon return.

If you meet an exception, enter the exception number on line 41a and on line 1 of your Form 10. If you used the *Annualized Income Worksheet*, check box 41b, and keep the worksheet for your records.

Amount due

43 Amount you owe. You may pay with a check, money order, electronic payment, or credit card. If you file electronically, you may be able to pay electronically at the time of filing. If the amount due is less than \$2, no payment is required.

Special instructions. Do you owe interest on line 42 and have an overpayment on line 38? If the interest you owe is more than your overpayment, you have an amount due. Subtract line 38 from line 42 and enter the result on line 43.

Payment options

Electronic payment from your checking or savings account

You can pay your current year income taxes, 2016 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. Direct debit may be available with e-filed returns at the time of filing.

Credit card payments

You can pay with your American Express, Discover, MasterCard, or Visa credit card. The 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—do not send with your return.**

To pay by credit card, go to Revenue Online at www.oregon.gov/dor, or call Value Payment Systems, Inc. toll free at 1 (888) 972-9673. For additional information on credit card payments, go to our website or contact us.

Don't use Form 40-V if using an electronic payment option. Use this voucher only if paying by check or money order.

Check or money order

- Make your check or money order payable to “Oregon Department of Revenue.”
- Write your daytime telephone number and “2015 Oregon Form 40” on your check.
- Use blue or black ballpoint ink. Do not use red or purple ink or gel pens.
- Do not send cash or a postdated check.
- Include your payment and the Form 40-V payment voucher on page 35.

Payment plan. If you can't pay in full now, pay what you can. Use the payment voucher, Form 40-V, on page 35. Contact us and we will help you set up a payment plan for the amount you don't pay with your return.

To finish your return, go to the signature block section.

Refund

44 Refund. 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.

If you're due interest of more than \$1 on a refund, the interest will be refunded to you.

Refund applications

If you have a refund on line 44, you may apply part or all of it to an open estimated tax account, a charitable checkoff, a political party checkoff, or an Oregon 529 College Savings Plan. Doing so will reduce your net refund. The combination of these refund applications, Form 40, line 49, can't equal more than your total refund on line 44.

Your refund may apply to outstanding debt prior to being refunded to you or applied to the elections on lines 45–48.

Instructions for amended returns: Complete the amended worksheet on page 9. If line 5 results in an additional refund, you are able to apply the additional amount to an open estimated tax account, charitable checkoff, political party checkoff, or Oregon 529 College Savings Plan. However, you **can't** reduce the refund from your original return that was previously applied.

- If you are not receiving an additional refund **or** if you are receiving an additional refund, but you do not want to apply the refund to the items listed on lines 45–48, skip lines 45–49. Enter the amount from line 44 onto line 50.
- If you are receiving an additional refund you want applied toward an item listed on lines 45–48, follow the instructions below. The combinations of these refund applications, Form 40, line 49, can't be more than your refund on line 5 of your amended worksheet.

45 Open estimated tax account. You may apply part or all of your refund to an open estimated tax account. Generally, unless you're filing a delinquent or amended return, this will apply to the 2016 tax year. See *Publication 17½* for additional information. Fill in line 45 with the amount you want to apply as an estimated tax payment.

46 Charitable checkoff. You can donate part or all of your refund to the charities listed on Schedule OR-D, *Oregon Charitable Checkoff Donations*, 150-101-058. If you choose to donate to these charities, enter the amount you wish to donate to each charity in that charity's corresponding column. Total your charitable contributions on line 30 of Schedule OR-D. Transfer this amount to line 46 of Form 40.

You can also mail your donations directly to the charity's address listed on our website. Don't mail your donations to us.

47 Political party checkoff. You may contribute \$3 of your refund to an Oregon political party. To make a contribution, enter **one** code from the list below in box 47a. If filing a joint return, your spouse can contribute by entering one political party code in box 47b. Enter only one code per taxpayer.

- 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].

Donating to a political party **reduces** your refund. If you **or** your spouse want to donate, enter \$3 on line 47. If you **and** your spouse want to donate, enter \$6 on

line 47. **Note:** This contribution does **not** qualify for the political contribution credit.

48 Oregon 529 College Savings Plan. You can deposit all or a portion of your refund into an Oregon 529 College Savings Plan account. To make this choice, there must be an open account and deposits must be a minimum of \$25 per account. For more information, see Schedule OR-529, *Oregon 529 College Savings Plan Direct Deposit for Personal Income Tax Filers*.

50 Net refund. You must reduce your refund by any amounts applied to your open estimated tax account (line 45), donations on lines 46 and 47, and deposits made into Oregon 529 College Savings Plan accounts (line 48). **By law, we cannot issue a refund or make applications if you file your return more than three years after the return's due date.**

Direct deposit

51 Direct deposit. Follow these instructions if you want us to deposit your refund directly into your bank account instead of mailing you a check:

1. **Contact your bank** to make sure your deposit will be accepted and to get your routing and account numbers.
2. **Check yes only** if your refund will go to an account outside the United States. **Note:** If you check yes, you will be issued a paper check.
3. **Check the appropriate box, either checking or savings, but not both.**
4. **Enter your nine-digit routing number.** The routing number must begin with 01 through 12, 21 through 32, or 61 through 72.
5. **Enter the account number** into which you want your refund deposited. The account number can be up to 17 characters (both numbers and letters). Do not include hyphens, spaces, or special symbols. Enter the number left to right and leave any unused boxes blank.
6. **Double-check** the account and routing numbers. These numbers can't be changed after the return is filed.

Oregon surplus credit donation

52 Oregon surplus credit (kicker) donation. You can elect to donate your Oregon surplus credit to the Oregon State School fund. To donate your surplus credit, see page 20 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 must file a tax return, you may sign the child's name as his or her 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 and **must** sign the return. Contact the following agencies to check the status of your Oregon tax practitioner:

- State Board of Tax Practitioners in Salem, (503) 378-4034 for licensed tax consultants or preparers, or go to www.oregon.gov/obtp.
- State Board of Accountancy in Salem, (503) 378-4181 for public accountants and certified public accountants, or go to www.oregon.gov/boa.

Preparer license number. Tax consultants and tax preparers: enter your license number. CPAs: enter your certificate number. All others: leave blank. **Do not** enter your driver's license number.

Before you file

To speed processing, put your Oregon return together as follows (**Important! Do not attach these documents together or use staples, paperclips, or tape to assemble your return.**):

1. Start with pages 1–3 of Form 40. Include page 4 only if you are amending your return.
2. If applicable, place these items in the following order behind your Form 40:
 - Form(s) W-2 and any Form(s) 1099 showing Oregon tax withheld.
 - Schedule OR-ASC.
 - Schedule OR-D.
 - Schedule OR-529.
3. Copy (front and back) of your federal Form 1040, 1040A, 1040EZ, 1040NR, or 1040NR-EZ. If you're filing using an "as if" federal return, include the "as if" return. **Write "as if" in blue or black ink on the top left corner of your "as if" federal return.** Also include copies of the federal returns you and your spouse actually filed.
4. **If applicable,** place these items in the following order behind the federal form:

- Schedule WFC.
- Form 10.
- Form 24.
- *Transfer Notice for Certain Credits*.
- Your RDP's Oregon return, if you're filing separately. Do not staple the returns together.

5. If you're amending your return, include a copy of your federal or other state's original return and corrected return or audit report.
6. Include your check or money order and completed Form 40-V payment voucher (page 35). If you're paying by credit card or electronic payment, do **not** use Form 40-V.

Be sure all four pages of your return are from the same form. **Example:** If you file Form 40, be sure that "2015 Form 40" is printed at the top of each page.

Do not include extension requests or any federal schedules with your Oregon return. Keep these with your records. We receive some federal information from the IRS. We may ask for copies of schedules or additional information later.

To avoid processing delays, remember

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

Include all pages of your Oregon return—pages 1–3 for original returns, and pages 1–4 for amended returns.

Double-check your math calculations and other figures, including your SSN. The most common mistakes are math errors and the amount claimed for the federal tax subtraction. Double-check your figures. People commonly use the wrong line or column on the tax tables.

Verify your bank account information if you're requesting direct deposit.

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

Include readable copies of Form(s) W-2 and 1099 showing Oregon income and tax withheld.

Include a copy of your federal return (front and back only) with your Oregon return. Do **not** include federal schedules.

Include Form 40-V, the payment voucher, with your check or money order. If you're paying by credit card or electronic payment, do **not** use Form 40-V.

Mail your return in a stamped envelope. Use a business envelope (4 × 9½ inches) or larger and use enough 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

2015 Tax Tables for Form 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 40, line 21 is:		And you use column:		If income from Form 40, line 21 is:		And you use column:		If income from Form 40, line 21 is:		And you use column:		If income from Form 40, line 21 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	217 203	9,000 – 9,100	580 500	14,000 – 14,100	1,030 850						
				4,100 – 4,200	224 208	9,100 – 9,200	589 507	14,100 – 14,200	1,039 857						
				4,200 – 4,300	231 213	9,200 – 9,300	598 514	14,200 – 14,300	1,048 864						
				4,300 – 4,400	238 218	9,300 – 9,400	607 521	14,300 – 14,400	1,057 871						
				4,400 – 4,500	245 223	9,400 – 9,500	616 528	14,400 – 14,500	1,066 878						
				4,500 – 4,600	252 228	9,500 – 9,600	625 535	14,500 – 14,600	1,075 885						
				4,600 – 4,700	259 233	9,600 – 9,700	634 542	14,600 – 14,700	1,084 892						
				4,700 – 4,800	266 238	9,700 – 9,800	643 549	14,700 – 14,800	1,093 899						
				4,800 – 4,900	273 243	9,800 – 9,900	652 556	14,800 – 14,900	1,102 906						
				4,900 – 5,000	280 248	9,900 – 10,000	661 563	14,900 – 15,000	1,111 913						
0 – 20	20 – 50	0	0												
		2	2												
\$ 50				\$ 5,000				\$ 10,000				\$ 15,000			
50 – 100		4	4	5,000 – 5,100	287 253	10,000 – 10,100	670 570	15,000 – 15,100	1,120 920						
100 – 200		8	8	5,100 – 5,200	294 258	10,100 – 10,200	679 577	15,100 – 15,200	1,129 927						
200 – 300		13	13	5,200 – 5,300	301 263	10,200 – 10,300	688 584	15,200 – 15,300	1,138 934						
300 – 400		18	18	5,300 – 5,400	308 268	10,300 – 10,400	697 591	15,300 – 15,400	1,147 941						
400 – 500		23	23	5,400 – 5,500	315 273	10,400 – 10,500	706 598	15,400 – 15,500	1,156 948						
500 – 600		28	28	5,500 – 5,600	322 278	10,500 – 10,600	715 605	15,500 – 15,600	1,165 955						
600 – 700		33	33	5,600 – 5,700	329 283	10,600 – 10,700	724 612	15,600 – 15,700	1,174 962						
700 – 800		38	38	5,700 – 5,800	336 288	10,700 – 10,800	733 619	15,700 – 15,800	1,183 969						
800 – 900		43	43	5,800 – 5,900	343 293	10,800 – 10,900	742 626	15,800 – 15,900	1,192 976						
900 – 1,000		48	48	5,900 – 6,000	350 298	10,900 – 11,000	751 633	15,900 – 16,000	1,201 983						
\$ 1,000				\$ 6,000				\$ 11,000				\$ 16,000			
1,000 – 1,100		53	53	6,000 – 6,100	357 303	11,000 – 11,100	760 640	16,000 – 16,100	1,210 990						
1,100 – 1,200		58	58	6,100 – 6,200	364 308	11,100 – 11,200	769 647	16,100 – 16,200	1,219 997						
1,200 – 1,300		63	63	6,200 – 6,300	371 313	11,200 – 11,300	778 654	16,200 – 16,300	1,228 1,004						
1,300 – 1,400		68	68	6,300 – 6,400	378 318	11,300 – 11,400	787 661	16,300 – 16,400	1,237 1,011						
1,400 – 1,500		73	73	6,400 – 6,500	385 323	11,400 – 11,500	796 668	16,400 – 16,500	1,246 1,018						
1,500 – 1,600		78	78	6,500 – 6,600	392 328	11,500 – 11,600	805 675	16,500 – 16,600	1,255 1,025						
1,600 – 1,700		83	83	6,600 – 6,700	399 333	11,600 – 11,700	814 682	16,600 – 16,700	1,264 1,032						
1,700 – 1,800		88	88	6,700 – 6,800	406 339	11,700 – 11,800	823 689	16,700 – 16,800	1,273 1,039						
1,800 – 1,900		93	93	6,800 – 6,900	413 346	11,800 – 11,900	832 696	16,800 – 16,900	1,282 1,047						
1,900 – 2,000		98	98	6,900 – 7,000	420 353	11,900 – 12,000	841 703	16,900 – 17,000	1,291 1,056						
\$ 2,000				\$ 7,000				\$ 12,000				\$ 17,000			
2,000 – 2,100		103	103	7,000 – 7,100	427 360	12,000 – 12,100	850 710	17,000 – 17,100	1,300 1,065						
2,100 – 2,200		108	108	7,100 – 7,200	434 367	12,100 – 12,200	859 717	17,100 – 17,200	1,309 1,074						
2,200 – 2,300		113	113	7,200 – 7,300	441 374	12,200 – 12,300	868 724	17,200 – 17,300	1,318 1,083						
2,300 – 2,400		118	118	7,300 – 7,400	448 381	12,300 – 12,400	877 731	17,300 – 17,400	1,327 1,092						
2,400 – 2,500		123	123	7,400 – 7,500	455 388	12,400 – 12,500	886 738	17,400 – 17,500	1,336 1,101						
2,500 – 2,600		128	128	7,500 – 7,600	462 395	12,500 – 12,600	895 745	17,500 – 17,600	1,345 1,110						
2,600 – 2,700		133	133	7,600 – 7,700	469 402	12,600 – 12,700	904 752	17,600 – 17,700	1,354 1,119						
2,700 – 2,800		138	138	7,700 – 7,800	476 409	12,700 – 12,800	913 759	17,700 – 17,800	1,363 1,128						
2,800 – 2,900		143	143	7,800 – 7,900	483 416	12,800 – 12,900	922 766	17,800 – 17,900	1,372 1,137						
2,900 – 3,000		148	148	7,900 – 8,000	490 423	12,900 – 13,000	931 773	17,900 – 18,000	1,381 1,146						
\$ 3,000				\$ 8,000				\$ 13,000				\$ 18,000			
3,000 – 3,100		153	153	8,000 – 8,100	497 430	13,000 – 13,100	940 780	18,000 – 18,100	1,390 1,155						
3,100 – 3,200		158	158	8,100 – 8,200	504 437	13,100 – 13,200	949 787	18,100 – 18,200	1,399 1,164						
3,200 – 3,300		163	163	8,200 – 8,300	511 444	13,200 – 13,300	958 794	18,200 – 18,300	1,408 1,173						
3,300 – 3,400		168	168	8,300 – 8,400	518 451	13,300 – 13,400	967 801	18,300 – 18,400	1,417 1,182						
3,400 – 3,500		175	173	8,400 – 8,500	526 458	13,400 – 13,500	976 808	18,400 – 18,500	1,426 1,191						
3,500 – 3,600		182	178	8,500 – 8,600	535 465	13,500 – 13,600	985 815	18,500 – 18,600	1,435 1,200						
3,600 – 3,700		189	183	8,600 – 8,700	544 472	13,600 – 13,700	994 822	18,600 – 18,700	1,444 1,209						
3,700 – 3,800		196	188	8,700 – 8,800	553 479	13,700 – 13,800	1,003 829	18,700 – 18,800	1,453 1,218						
3,800 – 3,900		203	193	8,800 – 8,900	562 486	13,800 – 13,900	1,012 836	18,800 – 18,900	1,462 1,227						
3,900 – 4,000		210	198	8,900 – 9,000	571 493	13,900 – 14,000	1,021 843	18,900 – 19,000	1,471 1,236						

2015 Tax Tables for Form 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 40, line 21 is:		And you use column:		If income from Form 40, line 21 is:		And you use column:		If income from Form 40, line 21 is:		And you use column:		If income from Form 40, line 21 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:	
\$ 19,000				\$ 24,000				\$ 29,000				\$ 34,000			
19,000 – 19,100	1,480	1,245		24,000 – 24,100	1,930	1,695		29,000 – 29,100	2,380	2,145		34,000 – 34,100	2,830	2,595	
19,100 – 19,200	1,489	1,254		24,100 – 24,200	1,939	1,704		29,100 – 29,200	2,389	2,154		34,100 – 34,200	2,839	2,604	
19,200 – 19,300	1,498	1,263		24,200 – 24,300	1,948	1,713		29,200 – 29,300	2,398	2,163		34,200 – 34,300	2,848	2,613	
19,300 – 19,400	1,507	1,272		24,300 – 24,400	1,957	1,722		29,300 – 29,400	2,407	2,172		34,300 – 34,400	2,857	2,622	
19,400 – 19,500	1,516	1,281		24,400 – 24,500	1,966	1,731		29,400 – 29,500	2,416	2,181		34,400 – 34,500	2,866	2,631	
19,500 – 19,600	1,525	1,290		24,500 – 24,600	1,975	1,740		29,500 – 29,600	2,425	2,190		34,500 – 34,600	2,875	2,640	
19,600 – 19,700	1,534	1,299		24,600 – 24,700	1,984	1,749		29,600 – 29,700	2,434	2,199		34,600 – 34,700	2,884	2,649	
19,700 – 19,800	1,543	1,308		24,700 – 24,800	1,993	1,758		29,700 – 29,800	2,443	2,208		34,700 – 34,800	2,893	2,658	
19,800 – 19,900	1,552	1,317		24,800 – 24,900	2,002	1,767		29,800 – 29,900	2,452	2,217		34,800 – 34,900	2,902	2,667	
19,900 – 20,000	1,561	1,326		24,900 – 25,000	2,011	1,776		29,900 – 30,000	2,461	2,226		34,900 – 35,000	2,911	2,676	
\$ 20,000				\$ 25,000				\$ 30,000				\$ 35,000			
20,000 – 20,100	1,570	1,335		25,000 – 25,100	2,020	1,785		30,000 – 30,100	2,470	2,235		35,000 – 35,100	2,920	2,685	
20,100 – 20,200	1,579	1,344		25,100 – 25,200	2,029	1,794		30,100 – 30,200	2,479	2,244		35,100 – 35,200	2,929	2,694	
20,200 – 20,300	1,588	1,353		25,200 – 25,300	2,038	1,803		30,200 – 30,300	2,488	2,253		35,200 – 35,300	2,938	2,703	
20,300 – 20,400	1,597	1,362		25,300 – 25,400	2,047	1,812		30,300 – 30,400	2,497	2,262		35,300 – 35,400	2,947	2,712	
20,400 – 20,500	1,606	1,371		25,400 – 25,500	2,056	1,821		30,400 – 30,500	2,506	2,271		35,400 – 35,500	2,956	2,721	
20,500 – 20,600	1,615	1,380		25,500 – 25,600	2,065	1,830		30,500 – 30,600	2,515	2,280		35,500 – 35,600	2,965	2,730	
20,600 – 20,700	1,624	1,389		25,600 – 25,700	2,074	1,839		30,600 – 30,700	2,524	2,289		35,600 – 35,700	2,974	2,739	
20,700 – 20,800	1,633	1,398		25,700 – 25,800	2,083	1,848		30,700 – 30,800	2,533	2,298		35,700 – 35,800	2,983	2,748	
20,800 – 20,900	1,642	1,407		25,800 – 25,900	2,092	1,857		30,800 – 30,900	2,542	2,307		35,800 – 35,900	2,992	2,757	
20,900 – 21,000	1,651	1,416		25,900 – 26,000	2,101	1,866		30,900 – 31,000	2,551	2,316		35,900 – 36,000	3,001	2,766	
\$ 21,000				\$ 26,000				\$ 31,000				\$ 36,000			
21,000 – 21,100	1,660	1,425		26,000 – 26,100	2,110	1,875		31,000 – 31,100	2,560	2,325		36,000 – 36,100	3,010	2,775	
21,100 – 21,200	1,669	1,434		26,100 – 26,200	2,119	1,884		31,100 – 31,200	2,569	2,334		36,100 – 36,200	3,019	2,784	
21,200 – 21,300	1,678	1,443		26,200 – 26,300	2,128	1,893		31,200 – 31,300	2,578	2,343		36,200 – 36,300	3,028	2,793	
21,300 – 21,400	1,687	1,452		26,300 – 26,400	2,137	1,902		31,300 – 31,400	2,587	2,352		36,300 – 36,400	3,037	2,802	
21,400 – 21,500	1,696	1,461		26,400 – 26,500	2,146	1,911		31,400 – 31,500	2,596	2,361		36,400 – 36,500	3,046	2,811	
21,500 – 21,600	1,705	1,470		26,500 – 26,600	2,155	1,920		31,500 – 31,600	2,605	2,370		36,500 – 36,600	3,055	2,820	
21,600 – 21,700	1,714	1,479		26,600 – 26,700	2,164	1,929		31,600 – 31,700	2,614	2,379		36,600 – 36,700	3,064	2,829	
21,700 – 21,800	1,723	1,488		26,700 – 26,800	2,173	1,938		31,700 – 31,800	2,623	2,388		36,700 – 36,800	3,073	2,838	
21,800 – 21,900	1,732	1,497		26,800 – 26,900	2,182	1,947		31,800 – 31,900	2,632	2,397		36,800 – 36,900	3,082	2,847	
21,900 – 22,000	1,741	1,506		26,900 – 27,000	2,191	1,956		31,900 – 32,000	2,641	2,406		36,900 – 37,000	3,091	2,856	
\$ 22,000				\$ 27,000				\$ 32,000				\$ 37,000			
22,000 – 22,100	1,750	1,515		27,000 – 27,100	2,200	1,965		32,000 – 32,100	2,650	2,415		37,000 – 37,100	3,100	2,865	
22,100 – 22,200	1,759	1,524		27,100 – 27,200	2,209	1,974		32,100 – 32,200	2,659	2,424		37,100 – 37,200	3,109	2,874	
22,200 – 22,300	1,768	1,533		27,200 – 27,300	2,218	1,983		32,200 – 32,300	2,668	2,433		37,200 – 37,300	3,118	2,883	
22,300 – 22,400	1,777	1,542		27,300 – 27,400	2,227	1,992		32,300 – 32,400	2,677	2,442		37,300 – 37,400	3,127	2,892	
22,400 – 22,500	1,786	1,551		27,400 – 27,500	2,236	2,001		32,400 – 32,500	2,686	2,451		37,400 – 37,500	3,136	2,901	
22,500 – 22,600	1,795	1,560		27,500 – 27,600	2,245	2,010		32,500 – 32,600	2,695	2,460		37,500 – 37,600	3,145	2,910	
22,600 – 22,700	1,804	1,569		27,600 – 27,700	2,254	2,019		32,600 – 32,700	2,704	2,469		37,600 – 37,700	3,154	2,919	
22,700 – 22,800	1,813	1,578		27,700 – 27,800	2,263	2,028		32,700 – 32,800	2,713	2,478		37,700 – 37,800	3,163	2,928	
22,800 – 22,900	1,822	1,587		27,800 – 27,900	2,272	2,037		32,800 – 32,900	2,722	2,487		37,800 – 37,900	3,172	2,937	
22,900 – 23,000	1,831	1,596		27,900 – 28,000	2,281	2,046		32,900 – 33,000	2,731	2,496		37,900 – 38,000	3,181	2,946	
\$ 23,000				\$ 28,000				\$ 33,000				\$ 38,000			
23,000 – 23,100	1,840	1,605		28,000 – 28,100	2,290	2,055		33,000 – 33,100	2,740	2,505		38,000 – 38,100	3,190	2,955	
23,100 – 23,200	1,849	1,614		28,100 – 28,200	2,299	2,064		33,100 – 33,200	2,749	2,514		38,100 – 38,200	3,199	2,964	
23,200 – 23,300	1,858	1,623		28,200 – 28,300	2,308	2,073		33,200 – 33,300	2,758	2,523		38,200 – 38,300	3,208	2,973	
23,300 – 23,400	1,867	1,632		28,300 – 28,400	2,317	2,082		33,300 – 33,400	2,767	2,532		38,300 – 38,400	3,217	2,982	
23,400 – 23,500	1,876	1,641		28,400 – 28,500	2,326	2,091		33,400 – 33,500	2,776	2,541		38,400 – 38,500	3,226	2,991	
23,500 – 23,600	1,885	1,650		28,500 – 28,600	2,335	2,100		33,500 – 33,600	2,785	2,550		38,500 – 38,600	3,235	3,000	
23,600 – 23,700	1,894	1,659		28,600 – 28,700	2,344	2,109		33,600 – 33,700	2,794	2,559		38,600 – 38,700	3,244	3,009	
23,700 – 23,800	1,903	1,668		28,700 – 28,800	2,353	2,118		33,700 – 33,800	2,803	2,568		38,700 – 38,800	3,253	3,018	
23,800 – 23,900	1,912	1,677		28,800 – 28,900	2,362	2,127		33,800 – 33,900	2,812	2,577		38,800 – 38,900	3,262	3,027	
23,900 – 24,000	1,921	1,686		28,900 – 29,000	2,371	2,136		33,900 – 34,000	2,821	2,586		38,900 – 39,000	3,271	3,036	

2015 Tax Tables for Form 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 40, line 21 is:		And you use column:		If income from Form 40, line 21 is:		And you use column:		If income from Form 40, line 21 is:		And you use column:		If income from Form 40, line 21 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	3,280	3,045	42,000 – 42,100	3,550	3,315	45,000 – 45,100	3,820	3,585	48,000 – 48,100	4,090	3,855	39,100 – 39,200	3,289	3,054	42,100 – 42,200	3,559	3,324	45,100 – 45,200	3,829	3,594	48,100 – 48,200	4,099	3,864
39,200 – 39,300	3,298	3,063	42,200 – 42,300	3,568	3,333	45,200 – 45,300	3,838	3,603	48,200 – 48,300	4,108	3,873	39,300 – 39,400	3,307	3,072	42,300 – 42,400	3,577	3,342	45,300 – 45,400	3,847	3,612	48,300 – 48,400	4,117	3,882
39,400 – 39,500	3,316	3,081	42,400 – 42,500	3,586	3,351	45,400 – 45,500	3,856	3,621	48,400 – 48,500	4,126	3,891	39,500 – 39,600	3,325	3,090	42,500 – 42,600	3,595	3,360	45,500 – 45,600	3,865	3,630	48,500 – 48,600	4,135	3,900
39,600 – 39,700	3,334	3,099	42,600 – 42,700	3,604	3,369	45,600 – 45,700	3,874	3,639	48,600 – 48,700	4,144	3,909	39,700 – 39,800	3,343	3,108	42,700 – 42,800	3,613	3,378	45,700 – 45,800	3,883	3,648	48,700 – 48,800	4,153	3,918
39,800 – 39,900	3,352	3,117	42,800 – 42,900	3,622	3,387	45,800 – 45,900	3,892	3,657	48,800 – 48,900	4,162	3,927	39,900 – 40,000	3,361	3,126	42,900 – 43,000	3,631	3,396	45,900 – 46,000	3,901	3,666	48,900 – 49,000	4,171	3,936
\$ 40,000				\$ 43,000				\$ 46,000				\$ 49,000											
40,000 – 40,100	3,370	3,135	43,000 – 43,100	3,640	3,405	46,000 – 46,100	3,910	3,675	49,000 – 49,100	4,180	3,945	40,100 – 40,200	3,379	3,144	43,100 – 43,200	3,649	3,414	46,100 – 46,200	3,919	3,684	49,100 – 49,200	4,189	3,954
40,200 – 40,300	3,388	3,153	43,200 – 43,300	3,658	3,423	46,200 – 46,300	3,928	3,693	49,200 – 49,300	4,198	3,963	40,300 – 40,400	3,397	3,162	43,300 – 43,400	3,667	3,432	46,300 – 46,400	3,937	3,702	49,300 – 49,400	4,207	3,972
40,400 – 40,500	3,406	3,171	43,400 – 43,500	3,676	3,441	46,400 – 46,500	3,946	3,711	49,400 – 49,500	4,216	3,981	40,500 – 40,600	3,415	3,180	43,500 – 43,600	3,685	3,450	46,500 – 46,600	3,955	3,720	49,500 – 49,600	4,225	3,990
40,600 – 40,700	3,424	3,189	43,600 – 43,700	3,694	3,459	46,600 – 46,700	3,964	3,729	49,600 – 49,700	4,234	3,999	40,700 – 40,800	3,433	3,198	43,700 – 43,800	3,703	3,468	46,700 – 46,800	3,973	3,738	49,700 – 49,800	4,243	4,008
40,800 – 40,900	3,442	3,207	43,800 – 43,900	3,712	3,477	46,800 – 46,900	3,982	3,747	49,800 – 49,900	4,252	4,017	40,900 – 41,000	3,451	3,216	43,900 – 44,000	3,721	3,486	46,900 – 47,000	3,991	3,756	49,900 – 50,000	4,261	4,026
\$ 41,000				\$ 44,000				\$ 47,000															
41,000 – 41,100	3,460	3,225	44,000 – 44,100	3,730	3,495	47,000 – 47,100	4,000	3,765	41,100 – 41,200	3,469	3,234	44,100 – 44,200	3,739	3,504	47,100 – 47,200	4,009	3,774						
41,200 – 41,300	3,478	3,243	44,200 – 44,300	3,748	3,513	47,200 – 47,300	4,018	3,783	41,300 – 41,400	3,487	3,252	44,300 – 44,400	3,757	3,522	47,300 – 47,400	4,027	3,792						
41,400 – 41,500	3,496	3,261	44,400 – 44,500	3,766	3,531	47,400 – 47,500	4,036	3,801	41,500 – 41,600	3,505	3,270	44,500 – 44,600	3,775	3,540	47,500 – 47,600	4,045	3,810						
41,600 – 41,700	3,514	3,279	44,600 – 44,700	3,784	3,549	47,600 – 47,700	4,054	3,819	41,700 – 41,800	3,523	3,288	44,700 – 44,800	3,793	3,558	47,700 – 47,800	4,063	3,828						
41,800 – 41,900	3,532	3,297	44,800 – 44,900	3,802	3,567	47,800 – 47,900	4,072	3,837	41,900 – 42,000	3,541	3,306	44,900 – 45,000	3,811	3,576	47,900 – 48,000	4,081	3,846						

2015 Tax rate charts

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

If your taxable income is over \$50,000 but not over \$125,000.....your tax is \$4,265 plus 9% of excess over \$50,000

If your taxable income is over \$125,000.....your tax is \$11,015 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 over \$50,000 but not over \$250,000.....your tax is \$4,030 plus 9% of excess over \$50,000

If your taxable income is over \$250,000.....your tax is \$22,030 plus 9.9% of excess over \$250,000

**2015 Form 40
Oregon
Individual Income Tax Return
for Full-year Residents Only**



Tax year ending: ●

- Amended return. If amending for an NOL, tax year the NOL was generated: ●
- Calculated using "as if" federal return. ● Bankruptcy.
- Extension filed. ● Form 24.

For office use only		
F	W	

First name and initial	Last name <input type="checkbox"/> Deceased	Social Security number (SSN) <input type="checkbox"/> Applied for	Date of birth (mm/dd/yyyy)
Spouse's first name and initial	Spouse's last name <input type="checkbox"/> Deceased	Spouse's SSN <input type="checkbox"/> Applied for	Spouse's date of birth (mm/dd/yyyy)

Current mailing address

City	State	ZIP code
Country	Phone	

● **Filing status** (check only **one** box)

1 Single.

2 Married filing jointly.

3 Married filing separately (enter spouse's information above).

4 Head of household (with qualifying person).

5 Qualifying widow(er) with dependent child.

● **Exemptions**

6a Credits for yourself: Regular; Severely disabled 6a **Total**

Check box if someone else can claim you as a dependent.

6b Credits for spouse: Regular; Severely disabled 6b

Check box if someone else can claim your spouse as a dependent.

Dependents. List your dependents.

● First name	● Last name	● Dependent's relationship code	● Dependent's SSN	● Dependent's date of birth (mm/dd/yyyy)	● Check if child with qualifying disability
					<input type="checkbox"/>
					<input type="checkbox"/>
					<input type="checkbox"/>
					<input type="checkbox"/>
					<input type="checkbox"/>
					<input type="checkbox"/>
					<input type="checkbox"/>
					<input type="checkbox"/>
					<input type="checkbox"/>

6c Total number of dependents ● 6c

6d Total number of dependent children with qualifying disability (see instructions)..... ● 6d

6e Total exemptions. Add 6a through 6d..... Total ● 6e

Don't forget!
Include a copy of your federal Form 1040, 1040A, 1040EZ, 1040NR, or 1040NR-EZ or we may adjust your return.

2015 Form 40

Name	SSN
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Taxable income		7	Federal adjusted gross income. Federal Form 1040, line 37; 1040A, line 21; 1040EZ, line 4; 1040NR, line 36; or 1040NR-EZ, line 10. See instructions	● 7		.00
		8	Total additions from Schedule OR-ASC, section 1	● 8		.00
		9	Income after additions. Add lines 7 and 8.....	● 9		.00
Subtractions		10	2015 federal tax liability (\$0-\$6,450; see instructions for the correct amount)	● 10		.00
		11	Social Security included on federal Form 1040, line 20b; or Form 1040A, line 14b	● 11		.00
		12	Oregon income tax refund included in federal income	● 12		.00
		13	Total subtractions from Schedule OR-ASC, section 2	● 13		.00
		14	Total subtractions. Add lines 10 through 13.....	● 14		.00
		15	Income after subtractions. Line 9 minus line 14	● 15		.00
Deductions		16	Itemized deductions from federal Schedule A, line 29.....	● 16		.00
		17	State income tax claimed as an itemized deduction	● 17		.00
		18	Net Oregon itemized deductions. Line 16 minus line 17.....	● 18		.00
		19	Standard deduction	● 19		.00
		19a	You were: ● <input type="checkbox"/> 65 or older; ● <input type="checkbox"/> Blind. Your spouse was: ● <input type="checkbox"/> 65 or older; ● <input type="checkbox"/> Blind.			
		20	Enter the larger of line 18 or line 19	● 20		.00
		21	Oregon taxable income. Line 15 minus line 20. If line 20 is more than line 15, enter -0-	● 21		.00
Tax		22	Tax. See instructions. Enter tax on line 22. Check box if tax is calculated using:	● 22		.00
			● 22a <input type="checkbox"/> Form FIA-40; ● 22b <input type="checkbox"/> Worksheet FCG; ● 22c <input type="checkbox"/> Schedule OR-PTE.			
		23	Interest on certain installment sales	● 23		.00
		24	Total tax before credits; add lines 22 and 23	● 24		.00
Nonrefundable credits		25	Exemption credit. If the amount on line 7 is less than \$100,000, multiply your total exemptions on line 6e by \$194. Otherwise, see instructions.....	● 25		.00
		26	Political contribution credit. See limits	● 26		.00
		27	Total standard credits from Schedule OR-ASC, section 3.....	● 27		.00
		28	Total carryforward credits from Schedule OR-ASC, section 4.....	● 28		.00
		29	Total nonrefundable credits. Add lines 25 through 28.....	● 29		.00
		30	Tax after nonrefundable credits. Line 24 minus line 29. If line 29 is more than line 24, enter -0- ..	● 30		.00

2015 Form 40



Name	SSN
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	31 Tax after nonrefundable credits from prior page, line 30	● 31		.00
Payments and refundable credits	32 Oregon income tax withheld. Include Form(s) W-2 and 1099	● 32		.00
	33 Amount applied from your prior year's tax refund.....	● 33		.00
	34 Estimated tax payments for 2015. Include all payments made prior to the filing date of this return. Do not include the amount already reported on line 33	● 34		.00
	35 Oregon surplus credit (kicker). Enter your kicker amount; see instructions. If you elect to donate your kicker to the State School Fund, enter -0- and see line 52	● 35		.00
	36 Total refundable credits from Schedule OR-ASC, section 5	● 36		.00
	37 Total payments and refundable credits. Add lines 32 through 36.....	● 37		.00
Tax to pay or refund	38 Overpayment of tax. If line 31 is less than line 37, you overpaid. Line 37 minus line 31	● 38		.00
	39 Net tax. If line 31 is more than line 37, you have tax to pay. Line 31 minus line 37	● 39		.00
	40 Penalty and interest for filing or paying late. See instructions	● 40		.00
	41 Interest on underpayment of estimated tax. Include Form 10	● 41		.00
	Exception number from Form 10, line 1: ● 41a <input type="text"/> . Check box if you annualized: ● 41b <input type="checkbox"/> .			
	42 Total penalty and interest due. Add lines 40 and 41	42		.00
	43 Net tax including any penalty and interest. Line 39 plus line 42	● 43		.00
	This is the amount you owe			
	44 Overpayment less penalty and interest. Is line 38 more than line 42? If so, line 38 minus line 42	● 44		.00
	This is your refund			
45 Estimated tax. Fill in the part of line 44 you want applied to your estimated tax account.	● 45		.00	
46 Charitable checkoff donations from Schedule OR-D, line 30	● 46		.00	
47 Political party \$3 checkoff. Party code: ● 47a <input type="text"/> You. ● 47b <input type="text"/> Spouse.....	● 47		.00	
48 Total Oregon 529 College Savings Plan deposits. See instructions	● 48		.00	
49 Total. Add lines 45 through 48; total can't be more than your refund on line 44	● 49		.00	
50 Line 44 minus line 49. This is your net refund.....	● 50		.00	
Net refund				

Direct deposit 51 For direct deposit of your refund, see instructions. Will this refund go to an account outside the United States? ● Yes

● **Type of account:** Checking; or Savings. ● **Routing number:**

● **Account number:**

52 Oregon surplus credit (kicker) donation. If you elect to donate your kicker to the State School Fund, check the box ● and write the amount from line 7 of the Kicker Calculation Worksheet here: ● 52a _____

This election is irrevocable.

Sign here—Under penalty of false swearing, I declare that the information in this return is true, correct, and complete.

Your signature X	Date
Spouse's signature (if filing jointly, both must sign) X	Date
Signature of preparer other than taxpayer X	● Preparer license no. Preparer phone
Preparer address	City State ZIP code

If you owe, make your check or money order payable to the **Oregon Department of Revenue**. Write your daytime phone number and **"2015 Oregon Form 40"** on your check or money order. Include your payment, along with the payment voucher, with this return.

— Mail **tax-due** returns to: **Oregon Department of Revenue, PO Box 14555, Salem OR 97309-0940.**

— Mail **refund** and **no-tax-due** returns to: **Refund, PO Box 14700, Salem OR 97309-0930.**

Important: Include a copy of your federal Form 1040, 1040A, 1040EZ, 1040NR, or 1040NR-EZ.



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Schedule OR-ASC

Oregon Adjustments for Form 40 Filers

2015

First name and initial	Last name	Social Security number (SSN)
Spouse's first name and initial	Spouse's last name	Spouse's SSN if joint return

Use Schedule OR-ASC to claim any of the following that aren't included on Form 40:

- Additions.
- Subtractions.
- Standard credits.
- Carryforward credits.
- Refundable credits.

Identify the code you're claiming and enter the information requested in the corresponding section.

For more information, refer to the instructions beginning on page 2.

Section 1: Additions (codes 102–160).

Code		Amount	
<input type="checkbox"/> 1a		<input type="checkbox"/> 1b	
<input type="checkbox"/> 1c		<input type="checkbox"/> 1d	
<input type="checkbox"/> 1e		<input type="checkbox"/> 1f	
<input type="checkbox"/> 1g		<input type="checkbox"/> 1h	
Enter total on Form 40, line 8			

Section 2: Subtractions (codes 300–358).

Code		Amount	
<input type="checkbox"/> 2a		<input type="checkbox"/> 2b	
<input type="checkbox"/> 2c		<input type="checkbox"/> 2d	
<input type="checkbox"/> 2e		<input type="checkbox"/> 2f	
<input type="checkbox"/> 2g		<input type="checkbox"/> 2h	
Enter total on Form 40, line 13			

Section 3: Standard credits (codes 801–814).

Code		Amount		State abbreviation (if claiming code 802)	
<input type="checkbox"/> 3a		<input type="checkbox"/> 3b		<input type="checkbox"/> 3c	
<input type="checkbox"/> 3d		<input type="checkbox"/> 3e		<input type="checkbox"/> 3f	
<input type="checkbox"/> 3g		<input type="checkbox"/> 3h		<input type="checkbox"/> 3i	
<input type="checkbox"/> 3j		<input type="checkbox"/> 3k		<input type="checkbox"/> 3l	
Enter total on Form 40, line 27					

Section 4: Carryforward credits (codes 835–865).

Code		Amount carried forward from the previous year		Amount awarded this year		Credit amount claimed this year	
<input type="checkbox"/> 4a		<input type="checkbox"/> 4b		<input type="checkbox"/> 4c		<input type="checkbox"/> 4d	
<input type="checkbox"/> 4e		<input type="checkbox"/> 4f		<input type="checkbox"/> 4g		<input type="checkbox"/> 4h	
<input type="checkbox"/> 4i		<input type="checkbox"/> 4j		<input type="checkbox"/> 4k		<input type="checkbox"/> 4l	
<input type="checkbox"/> 4m		<input type="checkbox"/> 4n		<input type="checkbox"/> 4o		<input type="checkbox"/> 4p	
Enter total on Form 40, line 28							

Section 5: Refundable credits (codes 890–894).

Code		Amount	
<input type="checkbox"/> 5a		<input type="checkbox"/> 5b	
<input type="checkbox"/> 5c		<input type="checkbox"/> 5d	
<input type="checkbox"/> 5e		<input type="checkbox"/> 5f	
<input type="checkbox"/> 5g		<input type="checkbox"/> 5h	
Enter total on Form 40, line 36			

— You must include this schedule with your Oregon income tax return —



Schedule OR-D

Oregon Charitable Checkoff Donations

2015

First name and initial	Last name	Social Security number (SSN)
Spouse's first name and initial	Spouse's last name	Spouse's SSN

Instructions: Use this form to donate some or all of your refund to the charities listed below.

	Charitable checkoff organization	• Amount of refund donated
1	Planned Parenthood of Oregon [Code 13]	
2	Oregon Lions Sight & Hearing Foundation [Code 14]	
3	Shriners Hospitals for Children [Code 15]	
4	Special Olympics for Oregon [Code 16]	
5	Susan G. Komen for the Cure [Code 17]	
6	Oregon Military Assistance Program [Code 24]	
7	Oregon Historical Society [Code 18]	
8	Oregon Food Bank [Code 25]	
9	Albertina Kerr Kid's Crisis Care [Code 26]	
10	American Red Cross [Code 27]	
11	Cascade AIDS Project [Code 28]	
12	Veterans Suicide Prevention [Code 23]	
13	Oregon Non-Game Wildlife [Code 19]	
14	Prevent Child Abuse [Code 20]	
15	Alzheimer's Disease Research [Code 21]	
16	Stop Domestic and Sexual Violence [Code 22]	
17	Habitat for Humanity [Code 1]	
18	Oregon Head Start Association [Code 2]	
19	American Diabetes Association [Code 3]	
20	SMART [Code 5]	
21	Oregon Coast Aquarium [Code 4]	
22	SOLVE [Code 6]	
23	The Nature Conservancy [Code 8]	
24	St. Vincent DePaul Society of Oregon [Code 7]	
25	Oregon Humane Society [Code 10]	
26	The Salvation Army [Code 11]	
27	Doernbecher Children's Hospital [Code 9]	
28	The Oregon Veterans' Home [Code 12]	
29	ALS Association [Code 29]	
30	Total charitable checkoff donations. Add lines 1 through 29.	

Enter total on line 46 of Form 40; line 71 of Form 40N; or line 70 of Form 40P. This amount cannot reduce your net refund below zero.