



2014

Oregon Income Tax

Part-Year Resident/Nonresident

- Form 40P and Form 40N
- Form 40-V

April 15, 2015 is the due date for filing your return and paying your tax due

Find out if you qualify for the earned income credit

See page 32.

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.



www.oregon.gov/dor

This is the last year for automatic mailing!



Beginning next year, we will no longer offer automatic mailing of forms and instructions. Forms and instructions are available at www.oregon.gov/dor, or you can contact us to order them.

We encourage you to file electronically. E-filed returns receive refunds in 7–10 days (see page 2).



- Your return and tax owed are due April 15, 2015. See page 33 for payment options.
- These instructions are not a complete statement of laws and Oregon Department of Revenue rules. You may need more information. See page 36.

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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 three 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.

3. 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/e-filing.

New information

Special Oregon medical deduction. For tax year 2014, an individual must be 63 years old before the close of the tax year to qualify for the subtraction.

Personal exemption credit. The personal exemption credit has changed. The credit may not be allowed if your federal adjusted gross income exceeds the income threshold for your filing status. See page 30 for more details.

Same-sex married couples. The Oregon Department of Revenue recognizes same-sex couples legally married in Oregon or other jurisdictions as married for Oregon tax purposes. If you are a same sex couple that married in Oregon in 2014, or previously in another state or country, you are required to use the same filing status used on your federal return (married filing jointly or married filing separately). You do not need to complete an “as if” federal return. Instead, attach your actual federal return to your Oregon return using the same filing status for both. For more information, visit our website at www.oregon.gov/dor.

Registered domestic partners (RDPs). At the time of this publication, RDPs that are not legally married in Oregon or another jurisdiction are still generally

required to use the RDP filing jointly or RDP filing separately filing status. However, this may change following the 2015 Oregon legislative session. Any updates will be posted on our website at www.oregon.gov/dor.

Income tax booklets. We are reducing the number of personalized income tax booklets we send in the mail. To obtain a tax booklet, you can download a copy from our website at www.oregon.gov/dor/personal or contact us. For contact information, see page 36.

Political contribution credit. A political contribution is no longer allowed if you federal adjusted gross income exceeds \$200,000 for married/RDP filing jointly or \$100,000 for all other filers. See page 31 for more details.

Earned income credit. The earned income credit has been increased to 8 percent of the credit allowed on your federal return.

Tuition and fees deduction, and the educator expenses deduction. The tuition and fees deduction, and the educator expenses deduction were expired at the time this publication was printed. If Congress did not reinstate these deductions, you are not allowed a tuition and fees, or educator expense deduction for Oregon.

Federal tax law

Oregon is tied to the federal definition of taxable income, with two exceptions:

- Internal Revenue Code (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 exempt from tax on the federal return. If you have either of these types of income, you will have an addition on your Oregon tax return. See page 17.

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

General information

Should I file an Oregon return?

You must file an Oregon income tax return if your Oregon source income and income received while an Oregon resident is more than your standard deduction.

If your Oregon income is less than your standard deduction, you're not required to file a return for Oregon.

Full-year residents. Oregon taxes your income from all sources.

Part-year residents. Oregon taxes your income from all sources earned or received while you were an Oregon resident. Oregon also taxes your income from Oregon sources while you were a nonresident.

Nonresidents. Oregon taxes only your income from Oregon sources.

Filing thresholds

You must file an Oregon income tax return if:	
Your filing status is:	And your Oregon gross income is more than:
Can be claimed on another's return	\$1,000*
Single	\$2,115
Married/registered domestic partners (RDP) filing joint	\$4,230
Married/RDP filing separate: —If spouse/RDP claims standard deduction	\$2,115
—If spouse/RDP itemizes deductions	\$0
Head of household	\$3,405
Qualifying widow(er)	\$4,230

* The larger of \$1,000, or your earned income plus \$350, up to the standard deduction amount for your filing status.

How long will it take to get my refund?

Effective **after** February 1, 2015:

If you e-file your return	7–10 business days
If you mail your return before April 1	
• With 2-D barcode	1–2 weeks
• Without 2-D barcode	4–6 weeks
If you mail your return on or after April 1	
• With 2-D barcode	2–4 weeks
• Without 2-D barcode	6–8 weeks

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

To check if your refund has been issued, go to www.oregonrefund.com **after** the time frame listed above.

What does income from Oregon sources include?

Oregon income includes income shown on your federal return for services performed in Oregon.

If you have wages from an Oregon employer and you performed services for your employer in Oregon and another state while you were a nonresident, and your Oregon wages are not stated separately on your W-2, compute your Oregon source income using the formula for line 8S (page 13).

The following are considered other income from Oregon sources:

- Businesses, partnerships, limited liability companies taxed as partnerships, and S corporations located or doing business in Oregon—income (losses).
- Unemployment compensation received because of an Oregon job.
- Severance pay received because of an Oregon job.
- Oregon farm income (losses).
- Oregon estate and trust income (losses).
- Oregon State Lottery winnings.
- Sale of Oregon property income (losses).
- Rents and royalties for use of Oregon property.
- Community property income. If you're a resident of Oregon and your spouse/RDP is a resident of a state with community property laws, you may be taxed on part of your spouse's/RDP's income. Community property laws in the state where your spouse/RDP lives determine if you're taxed on any of your spouse's/RDP's income.

What income is not included in Oregon sources?

- Interest and dividends. However, if they're from an Oregon business you own, received during the part of the year you were a resident or passed through from an S corporation or partnership doing business in Oregon, you must include them in Oregon income.
- Interstate transportation wages from an interstate railroad company, interstate motor carrier, air carrier, or motor private carrier. You must be a nonresident and have regularly assigned duties in more than one state.

- Oregon retirement income received while you were a nonresident unless you were domiciled in Oregon. See "Pensions and annuities" on page 14.
- Waterway, air carrier, or hydroelectric dam compensation, if you're a nonresident:
 - Working as crew or pilot on a vessel in navigable waters between Oregon and another state;
 - Working as crew or pilot on an aircraft in Oregon and at least one other state; or
 - Working on a dam that spans a river between Oregon and another state. **Note:** See *Publication 17½* for more details regarding waterway, air carrier, and dam workers compensation.
- Military pay of a nonresident.
- Winnings of a nonresident from tribal gaming centers in Oregon.

Residency

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

The following will help you decide:

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

You're still a full-year resident if:

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

You may also be considered a full-year resident if you spent more than 200 days in Oregon during 2014 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 2014. You're **not** considered a part-year resident if:
 - You temporarily moved out of Oregon, or
 - You moved back to Oregon after a temporary absence.

Special-case Oregon residents. If you're an Oregon resident and you meet **all** 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 didn't keep a home in Oregon during any part of 2014, and
- You spent less than 31 days in Oregon during 2014.

Important! A recreational vehicle (RV) is not 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.

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.

Nonresident military spouses. Federal law does not allow Oregon to tax your wages if you're in Oregon only to be with your spouse because your spouse is stationed in Oregon. File Form 40N if you had other income from Oregon sources or are claiming a refund of Oregon tax withheld.

Residents stationed outside Oregon. If you meet the requirements above for special-case Oregon residents or Oregon residents living abroad, file Form 40N. File Form 40 from the *Full-Year Resident* tax booklet if you don't meet the listed requirements.

Residents stationed in Oregon. If you're an Oregon resident stationed in Oregon, file Form 40 from the *Full-Year Resident* tax booklet.

For more information, go to our website or contact us.

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 "Should I file an Oregon return?" on page 3. If a return is filed, please check the "deceased" box on the return. If you've been appointed personal representative or you filed a small estate affidavit, sign the return as "personal representative" and have the spouse/RDP sign if a joint return. If there is no personal representative for a joint return, only the surviving spouse/RDP needs to sign.

Are you filing a return and claiming a refund for someone who is now deceased and there is no court-appointed personal representative? If so, file Form 243, *Claim to Refund Due a Deceased Person*, with the return. This will allow us to issue the refund check in your name. Download the form from our website or contact us to order it.

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.

What form do I use?

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 and your spouse/RDP are filing jointly and one (or both) of you is a nonresident, or
- You meet the military personnel nonresident requirements explained on this page, or
- You qualified as an Oregon resident living abroad for the entire year.

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

- You're a part-year resident, or
- You are filing jointly and one of you is a part-year resident and the other is a full-year resident, or
- You are 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 40 if any ONE of the following is true:

- You're a full-year resident, or
- You and your spouse/RDP are both full-year residents filing jointly.

Form 40 is included in the *Full-Year Resident* booklet. Go to our website or contact us to order it.

When should I file my return?

The filing deadline for calendar year 2014 is **April 15, 2015**. If you cannot 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 need more time to file, you can request an extension. Complete an Oregon extension form, Form 40-EXT, if:

- You're making a tax payment to Oregon and you cannot file your Oregon return by April 15, 2015, or
- You're filing an extension for Oregon only.

Extensions must be filed by the due date of the return, April 15, 2015.

If you requested a federal extension and you're expecting an Oregon refund, do **not** use Form 40-EXT. Oregon will allow you the same extension. Be sure to check box 7b on your Oregon return. Do **not** include a copy of your federal extension with your Oregon return. Keep a copy of your federal extension with your records.

If you need to complete Form 40-EXT, download the form from our website or contact us to order it.

An extension does not mean more time to pay!

You must pay all tax you expect to owe when you file your extension. If you don't pay all the tax due when you request an extension, you'll owe interest on any unpaid tax after April 15, 2015, until the date of your payment. The 2015 interest rate is 4 percent per year. If the tax is not 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 cannot pay all of the tax you expect to owe, pay what you can.

Were you stationed in a designated combat zone?

If you were stationed in a designated combat zone and received additional time to file your 2014 federal return and pay your 2014 tax, Oregon allows the same amount of time to file and pay. **Write "Combat zone" in blue or black ink at the top left corner of your return.**

Penalties

You will owe a 5 percent late-payment penalty on any 2014 tax not paid by April 15, 2015 even if you have filed an extension. See page 33.

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

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

2015 estimated tax

Estimated tax is the amount of tax you expect to owe after credits and Oregon tax withheld when you file your 2015 Oregon individual income tax return.

Oregon estimated tax laws are not the same as federal estimated tax laws. Use Oregon instructions to decide if you need to make estimated tax payments for 2015.

Who must make estimated tax payments?

In most cases, people who **expect to owe \$1,000 or more** on their 2015 Oregon income tax return after credits and withholding must make estimated payments. You may need to make estimated payments if:

- You're self-employed and don't have Oregon tax withheld from your income.
- You received 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 is not 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 2015 return.

When do I pay?

Estimated tax due dates for 2015 taxes are April 15, 2015*; June 15, 2015; September 15, 2015; and January 15, 2016.

If paying with a check or money order, send your payment with Form 40-ESV, *Oregon Estimated Income Tax Payment Voucher*. Download the form from our website or contact us to order it. If making an electronic payment from your checking or savings account or paying by credit or debit card, see page 33.

* Please send your 2015 estimated tax payment and Oregon Form 40-ESV in a separate envelope from your 2014 Oregon income tax return. This will help us credit your payment more efficiently.

Interest on underpayment of estimated tax

You may owe interest on underpayment of 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.

For Form 40N or Form 40P, line 69 instructions, see page 33.

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*. 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*. Go to our website to download the forms, or contact us to order either form.

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

File an amended return. Use Form 40N or Form 40P to change (amend) your return. Check the amended return box in the upper left corner of the form. You must also complete and include the *Oregon Amended Schedule* with your amended return. If you need prior year tax booklets or the *Oregon Amended Schedule*, visit our website or contact us.

Bankruptcy

If you are filing a short year return due to bankruptcy, write "Bankruptcy—short year return" in blue or black ink at the top of your return.

General instructions for Forms 40N & 40P

Step 1: Fill out your federal form

Your Oregon tax is determined using the ratio of your Oregon source income to your entire federal income. **Fill out your federal return first**, then 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 tax return. **Do not include any federal schedules.** We may ask for copies of schedules or additional information later.

Registered domestic partners (RDPs): To correctly figure your Oregon tax liability, you must complete a federal Form 1040 income tax return **“as if”** you were married filing jointly or married filing separately.

For more information on how to file as an RDP, visit our website at www.oregon.gov/dor/personal.

Step 2: Select the appropriate form

To decide whether to use Form 40N or 40P, see page 5.

Step 3: Fill out the Oregon form

Use blue or black ink only. Please use blue or black ink for easier reading and faster processing. Equipment used to scan documents and checks cannot read gel ink or certain colors and using them will delay the processing of your return.

Amended return

If you are amending your 2014 return, check the box in the upper left corner and include the *Oregon Amended Schedule* with your amended return.

Residency

Enter the dates you were an Oregon resident during 2014. For example, “01/01/2014 to 04/15/2014,” or “03/01/2014 to 12/31/2014.” Leave blank if you did not live in Oregon at any time during the year.

Fiscal year filers only

Write the end date of your fiscal year in the space. **Write “Fiscal year” in blue or black ink at the top left corner of your return.**

Name and address

Type or clearly print your name, Social Security number, date of birth, complete mailing address, and daytime telephone number on your return. If you are married/RDP filing separately do not fill in your spouse’s/RDP’s name and SSN here. Enter it on line 3 instead.

If the taxpayer died in 2014 or 2015, please check the “deceased” box next to their name.

Social Security number (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 a Social Security number, enter your ITIN wherever your SSN is requested.

If you don’t have an ITIN, you need to request one from the IRS. In this case, **write “Applied for” wherever your SSN is requested** and file your return by April 15, 2015. Do **not** include your ITIN application (federal Form W-7) with your Oregon tax return. For a copy of Form W-7, go to the IRS website at 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 the Oregon Department of Revenue. **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, “12/23/1977.”

Check the boxes

Filing status

1 – **5** Check the box next to your filing status. You must use the same filing status for your Oregon and federal returns.

Exception for registered domestic partners (RDPs). As an RDP, you are not eligible to use the single filing status. For Oregon, you are generally **required** to use one of the following filing statuses: registered domestic partners filing jointly or registered domestic partner filing separately. For more information, go to our website or contact us.

Exceptions for married/RDP 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/RDP 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/RDP 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/RDP 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.

For more information, go to our website or contact us.

If you are **married/RDP filing separately**, fill in your spouse's/RDP's first name, last name (first four letters only), and Social Security number under box 3a or 3b. Do **not** fill in your spouse's/RDP's name or Social Security number in the heading of the return.

If you are filing as **head of household**, fill in the name of a person who qualifies you for head of household filing status next to box 4. Please enter only one name.

How to file separate returns for Oregon

If you **file separate returns for Oregon only**, 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:

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

Write **"MFS/RDP for Oregon only"** in blue or black ink at the top left corner of your return. Include the following with **both** Oregon returns:

- A federal Form 1040, 1040A, 1040EZ, 1040NR, or 1040NR-EZ prepared **"as if"** you had filed married/RDP 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'/RDPs' Oregon returns in the **same** envelope. Do **not** staple the returns together.

For more information, visit our website.

Exemptions

6a & 6b **Yourself and spouse/RDP.** Check "Yourself" and other boxes that apply. **If someone else can claim you as a dependent (even if they did not), do not check "Yourself;"** instead enter -0- in the total box on 6a unless you have a severe disability.

Severely disabled. Did you have a severe disability at the end of 2014? If so, you may claim an additional exemption. This is different from the exemption for a child with a disability. You may claim the severely disabled exemption even if someone else can claim you as a dependent. You're considered to have a severe disability if **any** of the following apply:

- You permanently lost the use of one or both feet; 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/RDP qualifies, check the "Severely disabled" exemption box on line 6b. You and your spouse/RDP may also qualify for the loss of use of limbs credit. For more information, please contact us.

6c **All dependents.** Enter the number of your dependents in box 6c. Write their first names on the line. In most cases, you must claim the same dependents that are on your federal return. If all first names do not fit on the line, write the names on a statement instead. Number the statement and include it with your return. Write "STM" and the statement number on line 6c.

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 2014, **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, 2014 under the federal Individuals with Disabilities 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 above 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. Write your disabled child's name on line 6d, "Disabled children only." If the first names of your disabled children do not fit on the line, write the names on a statement instead. Number the statement and include it with your return. Write "STM" and the statement number on line 6d. Also be sure to include the same child's name on line 6c for "All dependents."

Continued on page 13

Amended Return
Form
40N

OREGON
Individual Income Tax Return **2014**
FOR NONRESIDENTS

For office use only

K F P J **(W)**

Oregon resident: From mm / dd / yyyy To mm / dd / yyyy Fiscal year ending

Last name First name and initial Social Security No. (SSN) Date of birth (mm/dd/yyyy)

Spouse's/RDP's last name if joint return Spouse's/RDP's first name and initial if joint return Spouse's/RDP's SSN if joint return Date of birth (mm/dd/yyyy)

Current mailing address Telephone number ()

City State ZIP code Country If you filed a return last year, and your name or address is different, check here

Filing Status 1 Single
2a Married filing jointly
2b Registered domestic partners (RDP) filing jointly
3a Married filing separately:
Spouse's name _____ Spouse's SSN _____
3b Registered domestic partner filing separately:
Partner's name _____ Partner's SSN _____
4 Head of household: Person who qualifies you
5 Qualifying widow(er) with dependent child

Exemptions

6a Yourself Regular Severely disabled 6a Total

6b Spouse/RDP ... Regular Severely disabled b

6c All dependents First names c

6d **Disabled** children only First names d

Total 6e

Check all that apply ->

7a You were: 65 or older Blind
Spouse/RDP was: 65 or older Blind

7b You filed an extension

7c You have federal Form 8886

7d You filed Oregon Form 24

			Federal column (F)		Oregon column (S)	
INCOME	8	Wages, salaries, and other pay for work. Include all Forms W-2	8F	.00	8S	.00
	9	Taxable interest income from federal Form 1040, line 8a.....	9F	.00	9S	.00
	10	Dividend income from federal Form 1040, line 9a.....	10F	.00	10S	.00
	11	State and local income tax refunds from federal Form 1040, line 10.....	11F	.00	11S	.00
	12	Alimony received from federal Form 1040, line 11	12F	.00	12S	.00
	13	Business income or loss from federal Form 1040, line 12.....	13F	.00	13S	.00
	14	Capital gain or loss from federal Form 1040, line 13.....	14F	.00	14S	.00
	15	Other gains or losses from federal Form 1040, line 14.....	15F	.00	15S	.00
	16	IRA distributions from federal Form 1040, line 15b.....	16F	.00	16S	.00
	17	Pensions and annuities from federal Form 1040, line 16b.....	17F	.00	17S	.00
	18	Rents, royalties, partnerships, etc., from federal Form 1040, line 17.....	18F	.00	18S	.00
ADJUSTMENTS TO INCOME	19	Farm income or loss from federal Form 1040, line 18.....	19F	.00	19S	.00
	20	Unemployment and other income from federal Form 1040, lines 19 through 21 ...	20F	.00	20S	.00
	21	Total income. Add lines 8 through 20.....	21F	.00	21S	.00
	22	IRA or SEP and SIMPLE contributions, federal Form 1040, lines 28 and 32.....	22F	.00	22S	.00
	23	Education deductions from federal Form 1040, lines 23, 33, and 34.....	23F	.00	23S	.00
	24	Moving expenses from federal Form 1040, line 26.....	24F	.00	24S	.00
	25	Deduction for self-employment tax from federal Form 1040, line 27.....	25F	.00	25S	.00
	26	Self-employed health insurance deduction from federal Form 1040, line 29.....	26F	.00	26S	.00
	27	Alimony paid from federal Form 1040, line 31a.....	27F	.00	27S	.00
	28	Other adjustments to income. Identify: ●28x <input type="checkbox"/> ●28y \$ <input type="checkbox"/> Schedule 28z <input type="checkbox"/> ●28F	28F	.00	28S	.00
	29	Total adjustments to income. Add lines 22 through 28.....	29F	.00	29S	.00
30	Income after adjustments. Line 21 minus line 29.....	30F	.00	30S	.00	
ADDITIONS	31	Interest on state and local government bonds outside of Oregon.....	31F	.00	31S	.00
	32	Federal election on interest and dividends of a minor child.....	32F	.00	32S	.00
	33	Other additions. Identify: ●33x <input type="checkbox"/> ●33y \$ <input type="checkbox"/> Schedule included 33z <input type="checkbox"/>	33F	.00	33S	.00
	34	Total additions. Add lines 31 through 33.....	34F	.00	34S	.00
	35	Income after additions. Add lines 30 and 34.....	35F	.00	35S	.00
SUBTRACTIONS	36	Social Security and tier 1 Railroad Retirement Board benefits included on line 20F ...	36F	.00		
	37	Other subtractions. Identify: ●37x <input type="checkbox"/> ●37y \$ <input type="checkbox"/> Schedule included 37z <input type="checkbox"/> ●37F	37F	.00	37S	.00
	38	Income after subtractions. Line 35 minus lines 36 and 37.....	38F	.00	38S	.00
	39	Oregon percentage. Line 38S ÷ line 38F (not more than 100.0%) ●39 <input type="text"/> %	39			

▲ Carry this ▲ amount to line 40

	40 Amount from front of form, line 38S (Oregon amount).....	40	.00
DEDUCTIONS AND MODIFICATIONS	41 Itemized deductions from federal Schedule A, line 29.....	41	.00
	42 State income tax claimed as itemized deduction.....	42	.00
	43 Net Oregon itemized deductions. Line 41 minus line 42.....	43	.00
	44 Standard deduction from page 26.....	44	.00
	45 2014 federal tax liability (\$0-\$6,350; see instructions for the correct amount)....	45	.00
	46 Other deductions and modifications. Identify: ●46x <input type="checkbox"/> ●46y \$ <input type="text"/> Schedule 46z <input type="checkbox"/>	46	.00
	47 Deductions and modifications X Oregon percentage. See page 26.....	47	.00
	48 Deductions and modifications not multiplied by the Oregon percentage. See page 29 ●48	48	.00
49 Total deductions and other modifications. Add lines 47 and 48.....	49	.00	
50 Oregon taxable income. Line 40 minus line 49.....	50	.00	
OREGON TAX	51 Tax. See page 29 for instructions. Enter tax here.....	51	.00
	Check if tax is from: 51a <input type="checkbox"/> Tax charts or ●51b <input type="checkbox"/> Form FIA-40N or ●51c <input type="checkbox"/> Worksheet FCG		
	52 Interest on certain installment sales.....	52	.00
53 Total tax before credits. Add lines 51 and 52.....	OREGON TAX → 53	.00	
NONREFUNDABLE CREDITS	54 Exemption credit. See instructions, page 30.....	54	.00
	55 Credit for income taxes paid to another state. State: ●55y <input type="checkbox"/> Schedule 55z <input type="checkbox"/>	55	.00
	56 Other credits. Identify: ●56x <input type="checkbox"/> ●56y \$ <input type="text"/> Schedule included 56z <input type="checkbox"/>	56	.00
	57 Total non-refundable credits. Add lines 54 through 56.....	57	.00
58 Net income tax. Line 53 minus line 57. If line 57 is more than line 53, enter -0-.....	58	.00	
PAYMENTS AND REFUNDABLE CREDITS	59 Oregon income tax withheld from income. Include Forms W-2 and 1099	59	.00
	60 Estimated tax payments for 2014 and payments made with your extension.....	60	.00
	●60a <input type="checkbox"/> Wolf depredation ●60b <input type="checkbox"/> Claim of right		
	61 Tax payments from pass-through entity and real estate transactions.....	61	.00
	62 Earned income credit. See instructions, page 32.....	62	.00
	63 Working family child care credit from WFC-N/P, line 21.....	63	.00
	64 Mobile home park closure credit. Include Schedule MPC.....	64	.00
	65 Total payments and refundable credits. Add lines 59 through 64.....	65	.00
	66 Overpayment. Is line 58 less than line 65? If so, line 65 minus line 58.....	OVERPAYMENT → 66	.00
	67 Tax to pay. Is line 58 more than line 65? If so, line 58 minus line 65.....	TAX TO PAY → 67	.00
68 Penalty and interest for filing or paying late. See instructions, page 33.....	68	.00	
69 Interest on underpayment of estimated tax. Include Form 10 and check box <input type="checkbox"/>	69	.00	
Exception # from Form 10, line 1 ●69a <input type="checkbox"/> Check box if you annualized ●69b <input type="checkbox"/>			
70 Total penalty and interest due. Add lines 68 and 69.....	70	.00	
71 Amount you owe. Line 67 plus line 70.....	AMOUNT YOU OWE → 71	.00	
72 Refund. Is line 66 more than line 70? If so, line 66 minus line 70.....	REFUND → 72	.00	
CHARITABLE CHECKOFF DONATIONS, PAGE 34	73 Estimated tax. Fill in the part of line 72 you want applied to your estimated tax ●73		
	American Diabetes Assoc. ●74	.00	Oregon Coast Aquarium ●75
	SMART ●76	.00	SOLV ●77
	The Nature Conservancy ●78	.00	St. Vincent DePaul Soc. of OR ●79
	Oregon Humane Society ●80	.00	The Salvation Army ●81
	Doernbecher Children's Hosp. ●82	.00	Oregon Veteran's Home ●83
	Charity code ●84a <input type="checkbox"/> ●84b <input type="checkbox"/>	.00	Charity code ●85a <input type="checkbox"/> ●85b <input type="checkbox"/>
	86 Total Oregon 529 College Savings Plan deposits. See instructions, page 34.....	86	.00
	87 Total. Add lines 73 through 86. Total can't be more than your refund on line 72.....	87	.00
	88 NET REFUND. Line 72 minus line 87. This is your net refund.....	NET REFUND → 88	.00

EITHER, NOT BOTH

ADD TOGETHER

ADD TOGETHER

ADD TOGETHER

These will reduce your refund

Include Schedule WFC-N/P if you claim this credit

I want to donate part of my tax refund to the following fund(s)

DIRECT DEPOSIT 89 For direct deposit of your refund, see instructions, page 34. ● Type of account: Checking or Savings

● Routing No. ● Account No.

Will this refund go to an account outside the United States? ● Yes

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

Under penalty for false swearing, I declare that the information in this return is true, correct, and complete.

Your signature	Date	Signature of preparer other than taxpayer	● Preparer license no.
X		X	
Spouse's/RDP's signature (if filing jointly, BOTH must sign)	Date	Address	Telephone no.
X			

Amended Return
Form
40N

OREGON
Individual Income Tax Return **2014**
FOR NONRESIDENTS

For office use only

K F P J **(W)**

Oregon resident: From mm dd yyyy To mm dd yyyy Fiscal year ending

Last name First name and initial Social Security No. (SSN) Date of birth (mm/dd/yyyy)

Spouse's/RDP's last name if joint return Spouse's/RDP's first name and initial if joint return Spouse's/RDP's SSN if joint return Date of birth (mm/dd/yyyy)

Current mailing address Telephone number ()

City State ZIP code Country If you filed a return last year, and your name or address is different, check here

Filing Status 1 Single
2a Married filing jointly
2b Registered domestic partners (RDP) filing jointly
3a Married filing separately:
Spouse's name _____ Spouse's SSN _____
3b Registered domestic partner filing separately:
Partner's name _____ Partner's SSN _____
4 Head of household: Person who qualifies you
5 Qualifying widow(er) with dependent child

Exemptions

6a Yourself Regular Severely disabled 6a Total

6b Spouse/RDP ... Regular Severely disabled b

6c All dependents First names c

6d **Disabled** children only First names d

Total 6e

Check all that apply ->

7a You were: 65 or older Blind
Spouse/RDP was: 65 or older Blind

7b You filed an extension

7c You have federal Form 8886

7d You filed Oregon Form 24

			Federal column (F)	Oregon column (S)
INCOME	8 Wages, salaries, and other pay for work. Include all Forms W-2	8F	.00	8S .00
	9 Taxable interest income from federal Form 1040, line 8a.....	9F	.00	9S .00
	10 Dividend income from federal Form 1040, line 9a.....	10F	.00	10S .00
	11 State and local income tax refunds from federal Form 1040, line 10.....	11F	.00	11S .00
	12 Alimony received from federal Form 1040, line 11	12F	.00	12S .00
	13 Business income or loss from federal Form 1040, line 12.....	13F	.00	13S .00
	14 Capital gain or loss from federal Form 1040, line 13.....	14F	.00	14S .00
	15 Other gains or losses from federal Form 1040, line 14.....	15F	.00	15S .00
	16 IRA distributions from federal Form 1040, line 15b.....	16F	.00	16S .00
	17 Pensions and annuities from federal Form 1040, line 16b.....	17F	.00	17S .00
	18 Rents, royalties, partnerships, etc., from federal Form 1040, line 17.....	18F	.00	18S .00
19 Farm income or loss from federal Form 1040, line 18.....	19F	.00	19S .00	
20 Unemployment and other income from federal Form 1040, lines 19 through 21 ...	20F	.00	20S .00	
21 Total income. Add lines 8 through 20	21F	.00	21S .00	
ADJUSTMENTS TO INCOME	22 IRA or SEP and SIMPLE contributions, federal Form 1040, lines 28 and 32.....	22F	.00	22S .00
	23 Education deductions from federal Form 1040, lines 23, 33, and 34.....	23F	.00	23S .00
	24 Moving expenses from federal Form 1040, line 26.....	24F	.00	24S .00
	25 Deduction for self-employment tax from federal Form 1040, line 27	25F	.00	25S .00
	26 Self-employed health insurance deduction from federal Form 1040, line 29.....	26F	.00	26S .00
	27 Alimony paid from federal Form 1040, line 31a.....	27F	.00	27S .00
	28 Other adjustments to income. Identify: ●28x <input type="checkbox"/> ●28y \$ <input type="checkbox"/> Schedule 28z <input type="checkbox"/> ●28F	28F	.00	28S .00
	29 Total adjustments to income. Add lines 22 through 28	29F	.00	29S .00
	30 Income after adjustments. Line 21 minus line 29	30F	.00	30S .00
	ADDITIONS	31 Interest on state and local government bonds outside of Oregon	31F	.00
32 Federal election on interest and dividends of a minor child		32F	.00	32S .00
33 Other additions. Identify: ●33x <input type="checkbox"/> ●33y \$ <input type="checkbox"/> Schedule included 33z <input type="checkbox"/>		33F	.00	33S .00
34 Total additions. Add lines 31 through 33.....		34F	.00	34S .00
35 Income after additions. Add lines 30 and 34.....		35F	.00	35S .00
SUBTRACTIONS	36 Social Security and tier 1 Railroad Retirement Board benefits included on line 20F ...	36F	.00	36S .00
	37 Other subtractions. Identify: ●37x <input type="checkbox"/> ●37y \$ <input type="checkbox"/> Schedule included 37z <input type="checkbox"/> ●37F	37F	.00	37S .00
	38 Income after subtractions. Line 35 minus lines 36 and 37	38F	.00	38S .00
	39 Oregon percentage. Line 38S ÷ line 38F (not more than 100.0%) ●39 <input type="text"/> %	39		

▲ Carry this amount to line 40

	40 Amount from front of form, line 38S (Oregon amount).....	40	.00	
DEDUCTIONS AND MODIFICATIONS	41 Itemized deductions from federal Schedule A, line 29.....	● 41	.00	
	42 State income tax claimed as itemized deduction.....	● 42	.00	
	43 Net Oregon itemized deductions. Line 41 minus line 42.....	● 43	.00	
	44 Standard deduction from page 26.....	● 44	.00	
	45 2014 federal tax liability (\$0-\$6,350; see instructions for the correct amount)....	● 45	.00	
	46 Other deductions and modifications. Identify: ●46x <input type="checkbox"/> ●46y \$ <input type="checkbox"/> Schedule 46z <input type="checkbox"/>	● 46	.00	
	47 Deductions and modifications X Oregon percentage. See page 26.....	● 47	.00	
	48 Deductions and modifications not multiplied by the Oregon percentage. See page 29 ● 48	● 48	.00	
49 Total deductions and other modifications. Add lines 47 and 48.....		● 49	.00	
50 Oregon taxable income. Line 40 minus line 49.....		● 50	.00	
OREGON TAX	51 Tax. See page 29 for instructions. Enter tax here.....	● 51	.00	
	Check if tax is from: 51a <input type="checkbox"/> Tax charts or ● 51b <input type="checkbox"/> Form FIA-40N or ● 51c <input type="checkbox"/> Worksheet FCG			
	52 Interest on certain installment sales.....	● 52	.00	
53 Total tax before credits. Add lines 51 and 52.....		OREGON TAX → ● 53	.00	
NONREFUNDABLE CREDITS	54 Exemption credit. See instructions, page 30.....	● 54	.00	
	55 Credit for income taxes paid to another state. State: ●55y <input type="checkbox"/> Schedule 55z <input type="checkbox"/>	● 55	.00	
	56 Other credits. Identify: ● 56x <input type="checkbox"/> ●56y \$ <input type="checkbox"/> Schedule included 56z <input type="checkbox"/>	● 56	.00	
	57 Total non-refundable credits. Add lines 54 through 56.....	● 57	.00	
58 Net income tax. Line 53 minus line 57. If line 57 is more than line 53, enter -0-.....		● 58	.00	
PAYMENTS AND REFUNDABLE CREDITS	59 Oregon income tax withheld from income. Include Forms W-2 and 1099	● 59	.00	
	60 Estimated tax payments for 2014 and payments made with your extension.....	● 60	.00	
	●60a <input type="checkbox"/> Wolf depredation ●60b <input type="checkbox"/> Claim of right			
	61 Tax payments from pass-through entity and real estate transactions.....	● 61	.00	
	62 Earned income credit. See instructions, page 32.....	● 62	.00	
	63 Working family child care credit from WFC-N/P, line 21.....	● 63	.00	
	64 Mobile home park closure credit. Include Schedule MPC.....	● 64	.00	
	65 Total payments and refundable credits. Add lines 59 through 64.....	● 65	.00	
	66 Overpayment. Is line 58 less than line 65? If so, line 65 minus line 58.....	OVERPAYMENT → ● 66	.00	
	67 Tax to pay. Is line 58 more than line 65? If so, line 58 minus line 65.....	TAX TO PAY → ● 67	.00	
68 Penalty and interest for filing or paying late. See instructions, page 33.....	68	.00		
69 Interest on underpayment of estimated tax. Include Form 10 and check box <input type="checkbox"/>	● 69	.00		
Exception # from Form 10, line 1 ●69a <input type="checkbox"/> Check box if you annualized ●69b <input type="checkbox"/>				
70 Total penalty and interest due. Add lines 68 and 69.....		70	.00	
71 Amount you owe. Line 67 plus line 70.....		AMOUNT YOU OWE → ● 71	.00	
72 Refund. Is line 66 more than line 70? If so, line 66 minus line 70.....		REFUND → ● 72	.00	
CHARITABLE CHECKOFF DONATIONS, PAGE 34 <i>I want to donate part of my tax refund to the following fund(s)</i>	73 Estimated tax. Fill in the part of line 72 you want applied to your estimated tax ● 73	● 73	.00	
	American Diabetes Assoc. ● 74	.00	Oregon Coast Aquarium ● 75	.00
	SMART ● 76	.00	SOLV ● 77	.00
	The Nature Conservancy ● 78	.00	St. Vincent DePaul Soc. of OR ● 79	.00
	Oregon Humane Society ● 80	.00	The Salvation Army ● 81	.00
	Doernbecher Children's Hosp. ● 82	.00	Oregon Veteran's Home ● 83	.00
	Charity code ●84a <input type="checkbox"/> ●84b <input type="checkbox"/>	.00	Charity code ●85a <input type="checkbox"/> ●85b <input type="checkbox"/>	.00
	86 Total Oregon 529 College Savings Plan deposits. See instructions, page 34.....		● 86	.00
	87 Total. Add lines 73 through 86. Total can't be more than your refund on line 72.....		● 87	.00
	88 NET REFUND. Line 72 minus line 87. This is your net refund.....		NET REFUND → ● 88	.00

DIRECT DEPOSIT 89 For direct deposit of your refund, see instructions, page 34. ● **Type of account:** Checking or Savings

● Routing No. ● Account No.

Will this refund go to an account outside the United States? ● Yes

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

Under penalty for false swearing, I declare that the information in this return is true, correct, and complete.

Your signature	Date	Signature of preparer other than taxpayer	● Preparer license no.
X		X	
Spouse's/RDP's signature (if filing jointly, BOTH must sign)	Date	Address	Telephone no.
X			

Continued from page 8

7a **Age 65 or older, or blind.** Check the boxes on line 7a if you or your spouse/RDP were age 65 or older or were blind on December 31, 2014. You're entitled to a larger standard deduction on line 44.

If you or your spouse/RDP are permanently blind, you may also qualify for the severely disabled exemption credit. For box 6a and 6b instructions, see page 8.

7b **Extension.** If you filed for an extension, check box 7b. For more information, see page 5.

7c **Federal Form 8886.** Check box 7c if you filed federal Form 8886, *Reportable Transaction Disclosure Statement*.

7d **Oregon Form 24.** Did you file federal Form 8824 because you're deferring gain on exchanged property? If so, check the box on line 7d. Also, complete and include Form 24, *Oregon Like-Kind Exchanges/Involuntary Conversions*. Download the form from our website or contact us to order it.

Form 40N and 40P line instructions

The following instructions are for lines not fully explained on the forms.

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

The forms have two columns for figures. These are to compare your total federal adjusted gross income (column F) to the portion of your federal adjusted gross income that Oregon taxes (column S).

Federal column (F) instructions, lines 8F–30F

The first column is labeled "Federal column (F)." For lines 8F–30F of the federal column, fill in the same amounts you reported on your federal return. If you have adjustments on your federal return that are not shown on lines 22–27, see page 16 for instructions on filling out lines 28F and 28S.

Line 30F, "Income after adjustments," must match your 2014 federal adjusted gross income from federal Form 1040, line 37; Form 1040A, line 21; Form 1040EZ, line 4; Form 1040NR, line 36; or Form 1040NR-EZ, line 10. If it does not match, check that you transferred the figures from your federal return correctly. If you need help, please contact us.

Oregon column (S) instructions, lines 8S–30S

The second column is labeled "Oregon column (S)." Use this column to list the amounts from the federal column that Oregon taxes.

Nonresidents. Oregon taxes only your income from **Oregon sources**. To compute your Oregon source income, see "What does income from Oregon sources include?" on page 4.

Part-year residents. Oregon taxes your income from **all sources** earned or received while you were an

Oregon resident. Oregon also taxes your income from **Oregon sources** while you were a nonresident. To compute your Oregon source income, see "What does income from Oregon sources include?" on page 4.

Full-year residents. Oregon taxes your income from **all sources**. If you are a full-year resident filing joint on Form 40N or 40P, all of the income included in the federal column must be included in the Oregon column.

8S **Wages, salaries, and other pay for work. Part-year residents**—fill in amounts you earned while an Oregon resident and any amounts you earned working in Oregon while you were a nonresident.

Full-year residents—fill in all income included in the federal column.

Nonresidents—fill in the amount earned while working in Oregon. If that amount differs from the Oregon wages on your W-2 form, you must include with your return a signed statement from your employer verifying the number of days worked in Oregon and the total number of days worked everywhere, and a statement explaining your calculations. If your Oregon wages are not stated separately on your W-2, compute your Oregon source income using the following formula:

$$\frac{\text{Days actually worked in Oregon}}{\text{Days actually worked everywhere}} \times \begin{matrix} \text{Total} \\ \text{wages} \\ \text{(line 8F)} \end{matrix} = \begin{matrix} \text{Oregon} \\ \text{wages} \\ \text{(line 8S)} \end{matrix}$$

Do not include holidays, vacation days, and sick days as days actually worked. **However, you must** include sick *pay*, holiday *pay*, and vacation *pay* in total wages. See the example below. If Oregon is the only state you worked in, do not use this formula; all your earnings are taxable and should be reported in the Oregon column. If line 8S doesn't match your W-2, include a statement explaining your calculations.

Example: Savannah lives in Idaho but works in Oregon. Of her 260 total days paid, she worked 138 days in Oregon and 92 days from her home in Idaho. She received 14 days vacation pay, eight days sick pay, and eight days holiday pay. She earned \$50,000 in wages. She figured the amount subject to Oregon tax as follows:

Total days paid	260
Less: Vacation days	(14)
Sick days	(8)
Holidays	(8)
Total days worked everywhere	<u>230</u>

$$\frac{\text{Days actually worked in Oregon (138)}}{\text{Days actually worked everywhere (230)}} \times \$50,000 \text{ (Total wages)} = \$30,000$$

Savannah's compensation reported in the federal column, Form 40N, line 8F is \$50,000 and in the Oregon column, Form 40N, line 8S is \$30,000.

Exceptions:

- If you're a nonresident with interstate transportation wages, you may qualify for special treatment under the Amtrak Act. Visit our website for details.
- Nonresidents who work on Bonneville, The Dalles, John Day, or McNary dam should exclude this income from the Oregon column. Write the name of the dam you work on at the top left corner of the return. Use **blue or black ink**.
- Nonresidents who work as crew or pilots on a vessel in interstate navigable waters should exclude this income from the Oregon column. Write "**Waterway worker**" at the top left corner of the return. Use **blue or black ink**.
- Nonresidents who work as crew or pilots on aircraft in Oregon and at least one other state may be able to exclude this income from the Oregon column. Write "**Air carrier**" at the top left corner of your return in blue or black ink. See *Publication 17½* for details.
- Nonresident members of the U.S. Armed Forces stationed in Oregon should not enter their military pay in the Oregon column. Military pay of a nonresident is not Oregon source income. Do not report it in the Oregon column on line 8S. Write "**Military nonresident**" at the top left corner of the return. Use **blue or black ink**.
- Nonresident military spouse's wages are exempt from state tax if you are only in Oregon because your spouse is stationed here. File Form 40N if you had non-wage Oregon income or to claim a refund of Oregon tax withheld from wages. Write "For Oregon only—exempt military spouse" at the top left corner of the return.

If Oregon taxes were withheld from your exempt wages, you should file a new Form W-4 with your employer. Write "For Oregon only" at the top left corner of Form W-4 and write "Exempt" on line 7.

9S Taxable interest income. Determine the amount of interest income you received from an Oregon business activity while you were a nonresident. Add any interest included on your federal return that you received during the part of the year you were an Oregon resident.

10S Dividend income. Determine the amount of dividends received from an Oregon business activity source while you were a nonresident. This includes dividends passed through to you from an S corporation or

partnership doing business in Oregon. These are dividends your S corporation or partnership received on the stock of another corporation. Add any dividend income included on your federal return that you received during the part of the year you were an Oregon resident.

11S State and local income tax refunds. Enter the amount reported on your federal return that is:

- A refund from Oregon or any other state or locality for which you claimed a deduction on an Oregon return in a prior year, or
- A refund received during the part of the year you were an Oregon resident.

12S Alimony received. Fill in alimony you received for the part of the year you were an Oregon resident.

13S Business income or loss. Determine the amount of income or loss from an Oregon business activity for the part of the year you were a nonresident. Add all business income or losses incurred during the part of the year you were a resident of Oregon.

14S Capital gain or loss. Determine the amount of gain or loss and capital gain distributions from Oregon sources for the part of the year you were a nonresident. Add the amount of your capital gains received and losses incurred during the part of the year you were an Oregon resident. Limit losses to \$3,000 (\$1,500 if married/RDP filing separately).

15S Other gains or losses. Determine the amount of gain or loss from Oregon sources for the part of the year you were a nonresident. Add the gain received or loss incurred during the part of the year you were an Oregon resident.

16S IRA distributions. Determine the amount of any taxable individual retirement arrangement (IRA) distributions you received while an Oregon resident. Include any amounts you converted from a regular IRA into a Roth IRA while you lived in Oregon. If you lived in another state when you made contributions to your IRA, you may need more information. If so, please contact us.

17S Pensions and annuities. Enter the amount of taxable pensions and annuities (including federal pensions) you received while an Oregon resident. Do not include any Railroad Retirement Benefits (RRB-1099-R). If you're domiciled in Oregon, you must also include any Oregon source pensions you received. This is true even though you may qualify as a nonresident under the tests for special case Oregon residents or Oregon residents living abroad. See page 4.

For example, if you lived in Oregon before you retired and have not changed your permanent home to another state, you must report the pension you earned while you worked in Oregon. If you get a federal pension, you may qualify for a subtraction on lines 37F and 37S. See page 17. If you need help, please contact us.

18S Rents, royalties, partnerships, limited liability companies, real estate investment trusts (REITs), estates, trusts, etc., from federal Schedule E. Determine the income you received and losses incurred from Oregon sources during the part of the year you were a nonresident. Add the amount received or incurred during the part of the year you were an Oregon resident. Partners and S corporation shareholders may need more information. If so, please contact us.

19S Farm income or loss. Determine the amount of income received or loss incurred from an Oregon farm while you were a nonresident. Add the amount of farm income received or loss incurred during the part of the year you were an Oregon resident.

20S Unemployment compensation and all other taxable income. Determine the amount of unemployment, lottery winnings, and any other taxable income from Oregon sources. Also include on line 20S any severance pay received because of an Oregon job, even if you qualify for the severance pay subtraction. You can subtract the qualified amount on line 37S. Also, any other taxable income you received during the part of the year you were a resident, and any other Oregon source income you received while you were a resident. Don't include Social Security, Railroad Retirement Board benefits, or Railroad Retirement Board unemployment benefits; Oregon doesn't tax this income.

Include all payments received from the Oregon Lottery in the Oregon column. Oregon Lottery means all games offered by the Oregon State Lottery Commission and purchased in Oregon. To determine whether you can subtract some or all of this amount on lines 37F and 37S, see page 17.

Adjustments to income

22S IRA or self-employed SEP and SIMPLE contributions. Oregon follows the federal definition of earned income and compensation used to calculate your IRA and other retirement plan deductions. Determine the amount you paid during the part of the year you were an Oregon resident. Add the amount calculated for the time you were a nonresident.

• **IRA.** Use the following formula to determine your deduction for the part of the year you were a nonresident:

$$\frac{\text{Oregon earned income while a nonresident}}{\text{Total earned income while a nonresident}} \times \text{IRA contributions made while a nonresident} = \text{Nonresident deduction}$$

This deduction cannot be more than the amount of earned income included in the Oregon column.

• **Self-employed SEP, SIMPLE, and qualified plans.** Use the following formula to determine your allowable deduction for the part of the year you were a nonresident:

$$\frac{\text{Oregon compensation while a nonresident}}{\text{Total compensation while a nonresident}} \times \text{Contributions made while a nonresident} = \text{Nonresident deduction}$$

This deduction cannot be more than the amount of compensation included in the Oregon column.

23S Education deductions. The following instructions will help you figure the amount you can claim on your Oregon return.

• **Educator expenses deduction** from federal Form 1040, line 23; or Form 1040A, line 16. For the part of the year you were a nonresident, determine the amount of qualified educator expenses you paid while working in an Oregon elementary or secondary school. Add the qualified educator expenses you paid during the part of the year you were an Oregon resident. Enter the smaller of the result or the amount deducted on your federal return, but no more than \$250 (no more than \$500 if you and your spouse/RDP are filing jointly and both of you were eligible educators). **Note:** As of this writing, the educator expense deduction was expired. If Congress did not reinstate the deduction, you are not allowed the educator expense deduction for Oregon.

• **Student loan interest deduction** from federal Form 1040, line 33; or Form 1040A, line 18.

Use the following formula to calculate your deduction for the part of the year you were a nonresident:

$$\frac{\text{Oregon source income while a nonresident}}{\text{Total income from all sources while a nonresident}} \times \text{Student loan interest paid while a nonresident} = \text{Nonresident deduction}$$

Add all interest paid during the part of the year you were an Oregon resident. Enter the result or the amount of federal student loan interest from your federal return, whichever is less.

• **Tuition and fees deduction** from federal Form 1040, line 34; or Form 1040A, line 19. **Note:** As of this writing, the tuition and fees deduction was expired. If Congress did not reinstate the deduction, you are not allowed the tuition and fees deduction for Oregon.

Use the following formula to calculate your deduction for the part of the year you were a nonresident:

$$\frac{\text{Oregon source income while a nonresident}}{\text{Total income from all sources while a nonresident}} \times \text{Qualified tuition and fees paid while a nonresident} = \text{Nonresident deduction}$$

Add all qualified education expenses you paid during the part of the year you were an Oregon resident. Enter the result or the amount of tuition and fees deduction from your federal return, whichever is less.

Note: If you were not allowed a federal tuition and fees deduction because you claimed the federal

credit, do not claim a deduction on line 23. You may be entitled to a subtraction on line 37. See page 24.

Add the Oregon amounts for your educator expenses deduction, student loan interest deduction, and tuition and fees deduction. Enter the total on line 23S.

24S Moving expenses. Fill in moving expenses **only** if:

- You qualified to take them on your federal return, and
- They are connected with gaining employment in Oregon, or
- You paid the qualified moving expenses after moving to Oregon to take a job in another state.

Example 1: Sofia moved from California to Washington to take a job **in Oregon**. She may claim her federal moving expenses in **both** the federal and the Oregon columns.

Example 2: David left Oregon to take a job in another state. He **cannot** claim any of his moving expenses in the Oregon column. He may **only** claim them in the federal column.

Example 3: Camille moved from Michigan to Oregon in May 2014, to begin work in Washington. She paid her moving expenses in June 2014. While the expenses are not related to Oregon employment, Camille can claim them in both columns because they were paid after she became an Oregon resident.

25S Deduction for self-employment tax. Use the following formula to determine the amount of your self-employment tax on earnings taxed by Oregon:

$$\frac{\text{Self-employment earnings taxed by Oregon}}{\text{Total taxable self-employment earnings}} \times \frac{\text{Federal deduction for self-employment tax}}{\text{self-employment tax}} = \text{Oregon deduction}$$

The Oregon deduction cannot be more than the federal deduction.

26S Self-employed health insurance deduction. Oregon allows a deduction of 100 percent of your health insurance premiums related to your self-employment for the part of the year you were an Oregon resident. Add the health insurance premiums paid by your Oregon business while a nonresident. Your total Oregon deduction cannot be more than your federal deduction.

27S Alimony paid. Determine if the alimony you paid to your former spouse or RDP is deductible for federal purposes. If so, use the following formula to calculate your Oregon deduction for the part of the year you were a nonresident:

$$\frac{\text{Oregon source income while a nonresident}}{\text{Total income while a nonresident}} \times \frac{\text{Alimony paid while a nonresident}}{\text{nonresident}} = \text{Nonresident deduction}$$

Add to that amount the alimony you paid while you were a resident.

28F/S Other adjustments to income. On line 28F (federal column), include any of the other adjustments that you claimed on your federal return. On line 28S (Oregon column), enter the amount of other adjustments you're entitled to claim for Oregon. Please identify the other adjustment(s) using the numeric code shown. If you have only one "Other adjustment," enter the numeric code on line 28x and the amount on lines 28y and 28F. For example, if you're claiming a \$500 health savings account deduction on your federal return, enter "003" on line 28x and "\$500" on lines 28y and 28F. If you're claiming more than one "Other adjustment," do not enter a code or amount on line 28x or 28y. Instead, check box 28z and include Schedule OR-ASC-N/P with your return with the numeric codes and amounts for the **federal and Oregon** columns of the adjustments. Enter the totals from Schedule OR-ASC-N/P on lines 28F and 28S.

"Other adjustments" claimed on federal return:

- Certain business expenses of reservists, performing artists, and fee-basis government officials from federal Form 1040, line 24 [code 002].
- Domestic production activities deduction from federal Form 1040, line 35 [code 006].

Note: If you claimed a domestic production activities deduction on your federal return, you will have an addition on your Oregon return. Oregon does not allow this deduction. See "Other additions" instructions on the next page.

- Health savings account deduction from federal Form 1040, line 25 [code 003].
- Penalty on early withdrawal of savings from federal Form 1040, line 30 [code 004].
- Any other adjustment to income reported on federal Form 1040, line 36 [code 005].

Additions

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

31F/S Interest and dividends on state and local government bonds outside Oregon.

Federal column. If you didn't include this income in your federal income, fill in the amount of interest and dividends you received from state and local governments outside Oregon.

Oregon column. Nonresidents—don't fill in any amount. **Part-year residents**—if you didn't include this income on line 9S or 10S, fill in the amount of interest and dividends you received from state and local governments outside Oregon while you were an Oregon resident.

32F/S Federal election on interest and dividends of a minor child. Did you report interest or dividends of your minor child on your federal return? If so, you must add to Oregon income the amount subject to the special federal tax.

Federal column. Fill in the smaller of line 13 or 14 from federal Form 8814. Add to that any interest or dividends your child received from state and local governments outside Oregon.

Oregon column. Nonresidents—don't fill in any amount. **Part-year residents**—fill in interest and dividends received while the minor child was an Oregon resident. Include interest and dividends your child received while an Oregon resident from state and local governments other than Oregon.

33F/S Other additions. You may need to report one or more other additions listed here. Please identify the addition using the numeric code shown. If you have only one "Other addition," enter the numeric code on line 33x and the amount for the **federal** column on lines 33y and 33F. For example, if you're reporting a \$1,000 addition for a passive activity loss, enter "155" on line 33x and "\$1,000" on lines 33y and 33F.

If you're claiming more than one "Other addition," do **not** enter a code or amount on line 33x or 33y. Instead, check box 33z and include Schedule OR-ASC-N/P with your return with the numeric codes and amounts for the **federal and Oregon** columns of the additions. Enter the totals from Schedule OR-ASC-N/P on lines 33F and 33S. For more information, go to our website or contact us.

- The following additions apply to only a few people and are not explained in this booklet. Make the additions in **both** the federal and Oregon columns as appropriate. For more information, please contact us.
 - 529 Oregon College Savings Network Plan non-qualified withdrawal [code 117].
 - Basis adjustments.
 - Basis of business assets transferred to Oregon [code 150].
 - Depletion in excess of property basis [code 151].
 - Depreciation difference for Oregon [code 152].
 - Federal depreciation disconnect [code 153].
 - Gain or loss on the sale of depreciable property with different basis for Oregon [code 154].
 - Passive activity losses [code 155].
 - Suspended losses [code 156].
 - Business credit, unused [code 122].
 - Disposition of inherited Oregon farmland or forestland [code 106].
 - Domestic production activities deduction [code 102].
 - Fiduciary adjustments.
 - Accumulation distribution from a trust [code 132].
 - Fiduciary adjustments from Oregon estates and trusts [code 133].
 - Individual Development Account [code 113].

- Lump-sum distributions from a qualified retirement plan [code 139].
- Net operating loss, non-Oregon source [code 116].
- Oregon deferral of reinvested capital gain [code 118].
- Partnership or S corporation modifications for Oregon [code 119].
- Passive foreign investment income [code 140].
- Prescription drug plan subsidies [code 123].

Subtractions

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

36F Social Security and tier 1 Railroad Retirement Board benefits. Subtract Social Security and tier 1 Railroad Retirement Board benefits **only** if you included them in the federal column on line 20F.

37F/S Other subtractions. You may qualify for one or more other subtractions explained in this section. Please identify the subtraction using the numeric code shown. If you have only one "Other subtraction," enter the numeric code on line 37x and the amount for the **federal** column on lines 37y and 37F. For example, if you're claiming a \$2,000 military active duty pay subtraction, enter "319" on line 37x and "\$2,000" on lines 37y and 37F.

If you're claiming more than one "Other subtraction," do **not** enter a code or amount on line 37x or 37y. Instead, check box 37z and include Schedule OR-ASC-N/P with your return with the numeric codes and amounts for the **federal and Oregon** columns of the subtractions. Enter the totals from Schedule OR-ASC-N/P on lines 37F and 37S. For more information, go to our website or contact us.

- **Special Oregon medical subtraction [code 351].** If you or your spouse/RDP were age 63 or older on December 31, 2014 and have qualifying medical and/or dental expenses, you may qualify for the special Oregon medical subtraction. See the 2014 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/RDP filing separately). Use the worksheet below to determine the amount of your subtraction.

Shared expenses. Did you have medical expenses and/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 that 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, see the 2014 *Publication 17½* at www.oregon.gov/dor/personal.

Special Oregon medical subtraction worksheet instructions

Line 1: Medical and dental expenses for each taxpayer—Enter the expenses attributable to each taxpayer. See “Shared expenses” above for information about splitting expenses, such as insurance premiums.

Line 1, column (A): If you were age 63 or older on December 31, 2014, enter **your** total qualifying medical and dental expenses. 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, 2014—**STOP**—do not complete column (A). You do not qualify for the subtraction.

Line 1, column (B): If your spouse/RDP was age 63 or older on December 31, 2014 and you’re filing jointly, enter your **spouse’s/RDP’s** total qualifying medical and dental expenses. If your spouse’s/RDP’s 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 your spouse/RDP does not have qualifying expenses or was not age 63 or older on December 31, 2014—**STOP**—do not complete column (B). Your spouse/RDP does not qualify for the subtraction.

Line 2, columns (A) & (B): Total medical and dental expenses—Enter the total medical and dental expenses you claimed as an itemized deduction (Schedule A, line 1). If your spouse/RDP meets the age requirement and has qualifying expenses, enter this amount on line 2, column (B).

Line 3, columns (A) & (B): Divide line 1 by line 2 for column (A) if you qualify and/or column (B) if your spouse/RDP qualifies and round to three decimal places. For example: 0.7308 is rounded to 0.731

Line 4, columns (A) & (B): 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. If your spouse/RDP qualifies, enter the same amount in column (B).

Line 5, columns (A) & (B): Multiply line 3 and line 4 for each column and round to whole dollars. For example: \$101.49 is rounded to \$101.

Line 6, columns (A) & (B): Enter the maximum allowable medical subtraction for your filing status and federal adjusted gross income from the table below. Do not enter more than \$1,800. If your spouse/RDP qualifies, enter the same amount in column (B).

Line 7, columns (A) & (B): Enter the lesser of line 5 or line 6 for each column.

Line 8: Add the amounts from line 7 column (A) and column (B). This is your special Oregon medical subtraction. Enter this amount as an “other subtraction” on line 37 of your Form 40P or 40N using subtraction code 351.

Special Oregon medical subtraction worksheet

	Column (A) You	Column (B) Spouse/RDP
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 claimed 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 below (\$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 on line 30F of Form 40P or 40N is:		Then your maximum allowable medical subtraction per taxpayer meeting the age requirement is:
	at least—	but less than—	
Married/RDP 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
	\$200,000 or more		-0-
Single or Married/RDP filing separately	-0-	\$25,000	\$1,800
	\$25,000	\$50,000	\$1,400
	\$50,000	\$100,001	\$1,000
	\$100,000 or more		-0-

Continued on page 23

Amended Return

Form

40P

OREGON

Individual Income Tax Return
FOR PART-YEAR RESIDENTS

2014

For office use only

Oregon resident:

mm dd yyyy To mm dd yyyy

Fiscal year ending

K F P J

W

Last name	First name and initial <input type="checkbox"/> Deceased	Social Security No. (SSN) - -	Date of birth (mm/dd/yyyy)
Spouse's/RDP's last name if joint return	Spouse's/RDP's first name and initial if joint return <input type="checkbox"/> Deceased	Spouse's/RDP's SSN if joint return - -	Date of birth (mm/dd/yyyy)

Current mailing address			Telephone number ()
City	State	ZIP code	Country
If you filed a return last year, and your name or address is different, check here <input type="checkbox"/>			

Filing Status 1 <input type="checkbox"/> Single 2a <input type="checkbox"/> Married filing jointly 2b <input type="checkbox"/> Registered domestic partners (RDP) filing jointly 3a <input type="checkbox"/> Married filing separately: Spouse's name _____ Spouse's SSN _____ 3b <input type="checkbox"/> Registered domestic partner filing separately: Partner's name _____ Partner's SSN _____ 4 <input type="checkbox"/> Head of household: Person who qualifies you 5 <input type="checkbox"/> Qualifying widow(er) with dependent child	Exemptions <table border="1"> <tr> <td>6a Yourself Regular <input type="checkbox"/></td> <td>..... Severely disabled <input type="checkbox"/></td> <td>..... 6a <input type="text"/></td> </tr> <tr> <td>6b Spouse/RDP ... Regular <input type="checkbox"/></td> <td>..... Severely disabled <input type="checkbox"/></td> <td>..... b <input type="text"/></td> </tr> <tr> <td>6c All dependents First names _____</td> <td>..... c <input type="text"/></td> <td></td> </tr> <tr> <td>6d Disabled children only (see instructions)</td> <td>..... d <input type="text"/></td> <td></td> </tr> <tr> <td colspan="2">Total</td> <td>..... 6e <input type="text"/></td> </tr> </table>	6a Yourself Regular <input type="checkbox"/> Severely disabled <input type="checkbox"/> 6a <input type="text"/>	6b Spouse/RDP ... Regular <input type="checkbox"/> Severely disabled <input type="checkbox"/> b <input type="text"/>	6c All dependents First names _____ c <input type="text"/>		6d Disabled children only (see instructions) d <input type="text"/>		Total	 6e <input type="text"/>
6a Yourself Regular <input type="checkbox"/> Severely disabled <input type="checkbox"/> 6a <input type="text"/>														
6b Spouse/RDP ... Regular <input type="checkbox"/> Severely disabled <input type="checkbox"/> b <input type="text"/>														
6c All dependents First names _____ c <input type="text"/>															
6d Disabled children only (see instructions) d <input type="text"/>															
Total	 6e <input type="text"/>														
Check all that apply -> 7a You were: <input type="checkbox"/> 65 or older <input type="checkbox"/> Blind Spouse/RDP was: <input type="checkbox"/> 65 or older <input type="checkbox"/> Blind	7b <input type="checkbox"/> You filed an extension	7c <input type="checkbox"/> You have federal Form 8886	7d <input type="checkbox"/> You filed Oregon Form 24													

			Federal column (F)	Oregon column (S)
INCOME	8 Wages, salaries, and other pay for work. Include all Forms W-2	8F	.00	8S .00
	9 Taxable interest income from federal Form 1040, line 8a.....	9F	.00	9S .00
	10 Dividend income from federal Form 1040, line 9a.....	10F	.00	10S .00
	11 State and local income tax refunds from federal Form 1040, line 10.....	11F	.00	11S .00
	12 Alimony received from federal Form 1040, line 11	12F	.00	12S .00
	13 Business income or loss from federal Form 1040, line 12.....	13F	.00	13S .00
	14 Capital gain or loss from federal Form 1040, line 13.....	14F	.00	14S .00
	15 Other gains or losses from federal Form 1040, line 14.....	15F	.00	15S .00
	16 IRA distributions from federal Form 1040, line 15b.....	16F	.00	16S .00
	17 Pensions and annuities from federal Form 1040, line 16b.....	17F	.00	17S .00
	18 Rents, royalties, partnerships, etc., from federal Form 1040, line 17.....	18F	.00	18S .00
19 Farm income or loss from federal Form 1040, line 18.....	19F	.00	19S .00	
20 Unemployment and other income from federal Form 1040, lines 19 through 21 ...	20F	.00	20S .00	
21 Total income. Add lines 8 through 20	21F	.00	21S .00	
ADJUSTMENTS TO INCOME	22 IRA or SEP and SIMPLE contributions, federal Form 1040, lines 28 and 32.....	22F	.00	22S .00
	23 Education deductions from federal Form 1040, lines 23, 33, and 34.....	23F	.00	23S .00
	24 Moving expenses from federal Form 1040, line 26.....	24F	.00	24S .00
	25 Deduction for self-employment tax from federal Form 1040, line 27	25F	.00	25S .00
	26 Self-employed health insurance deduction from federal Form 1040, line 29.....	26F	.00	26S .00
	27 Alimony paid from federal Form 1040, line 31a.....	27F	.00	27S .00
	28 Other adjustments to income. Identify: ●28x <input type="checkbox"/> ●28y \$ <input type="text"/> Schedule 28z <input type="checkbox"/> ●28F	28F	.00	28S .00
	29 Total adjustments to income. Add lines 22 through 28	29F	.00	29S .00
	30 Income after adjustments. Line 21 minus line 29	30F	.00	30S .00
	ADDITIONS	31 Interest on state and local government bonds outside of Oregon	31F	.00
32 Federal election on interest and dividends of a minor child		32F	.00	32S .00
33 Other additions. Identify: ●33x <input type="checkbox"/> ●33y \$ <input type="text"/> Schedule included 33z <input type="checkbox"/>		33F	.00	33S .00
34 Total additions. Add lines 31 through 33		34F	.00	34S .00
35 Income after additions. Add lines 30 and 34	35F	.00	35S .00	
SUBTRACTIONS	36 Social Security and tier 1 Railroad Retirement Board benefits included on line 20F ..	36F	.00	
	37 Other subtractions. Identify: ●37x <input type="checkbox"/> ●37y \$ <input type="text"/> Schedule included 37z <input type="checkbox"/> ●37F	37F	.00	37S <input type="text"/>
	38 Income after subtractions. Line 35 minus lines 36 and 37	38F	.00	38S <input type="text"/>
	39 Oregon percentage. Line 38S ÷ line 38F (not more than 100.0%) ●39 <input type="text"/> %	39		

▲ Carry this amount to line 40

	40 Amount from front of form, line 38F (federal amount).....	40	.00	
DEDUCTIONS AND MODIFICATIONS	41 Itemized deductions from federal Schedule A, line 29	41	.00	
	42 State income tax claimed as itemized deduction	42	.00	
	43 Net Oregon itemized deductions. Line 41 minus line 42	43	.00	
	44 Standard deduction from page 26.....	44	.00	
	45 2014 federal tax liability (\$0-\$6,350; see instructions for the correct amount)....	45	.00	
	46 Other deductions and modifications. Identify: ●46x <input type="checkbox"/> ●46y \$ <input type="checkbox"/> Schedule 46z <input type="checkbox"/> ●46	46	.00	
	47 Add lines 43, 45, and 46 if itemizing. Otherwise, add lines 44, 45, and 46	47	.00	
	48 Taxable income. Line 40 minus line 47	48	.00	
OREGON TAX	49 Tax from tax charts. 49a <input type="checkbox"/> See instructions, page 29	49	.00	
	50 Oregon income tax. Line 49 X Oregon percentage from line 39, or.....	50	.00	
	Check if tax is from: ● 50a <input type="checkbox"/> Form FIA-40P or ● 50b <input type="checkbox"/> Worksheet FCG			
	51 Interest on certain installment sales.....	51	.00	
	52 Total tax before credits. Add lines 50 and 51	OREGON TAX → 52	.00	
NONREFUNDABLE CREDITS	53 Exemption credit. See instructions, page 30	53	.00	
	54 Child and dependent care credit. See instructions, page 30.....	54	.00	
	55 Credit for income taxes paid to another state. State: ●55y <input type="checkbox"/> Schedule 55z <input type="checkbox"/> ●55	55	.00	
	56 Other credits. Identify: ●56x <input type="checkbox"/> ●56y \$ <input type="checkbox"/> Schedule included 56z <input type="checkbox"/> ●56	56	.00	
	57 Total non-refundable credits. Add lines 53 through 56	57	.00	
	58 Net income tax. Line 52 minus line 57. If line 57 is more than line 52, enter -0-	58	.00	
PAYMENTS AND REFUNDABLE CREDITS	59 Oregon income tax withheld from income. Include Forms W-2 and 1099	59	.00	
	60 Estimated tax payments for 2014 and payments made with your extension	60	.00	
	●60a <input type="checkbox"/> Wolf depredation ●60b <input type="checkbox"/> Claim of right			
	61 Tax payments from pass-through entity and real estate transactions	61	.00	
	62 Earned income credit. See instructions, page 32	62	.00	
	63 Working family child care credit from WFC-N/P, line 21	63	.00	
	64 Mobile home park closure credit. Include Schedule MPC.....	64	.00	
	65 Total payments and refundable credits. Add lines 59 through 64	65	.00	
	66 Overpayment. Is line 58 less than line 65? If so, line 65 minus line 58	OVERPAYMENT → 66	.00	
	67 Tax to pay. Is line 58 more than line 65? If so, line 58 minus line 65	TAX TO PAY → 67	.00	
	68 Penalty and interest for filing or paying late. See instructions, page 33.....	68	.00	
	69 Interest on underpayment of estimated tax. Include Form 10 and check box <input type="checkbox"/>	69	.00	
	Exception # from Form 10, line 1 ●69a <input type="checkbox"/> Check box if you annualized ●69b <input type="checkbox"/>			
	70 Total penalty and interest due. Add lines 68 and 69	70	.00	
	71 Amount you owe. Line 67 plus line 70	AMOUNT YOU OWE → 71	.00	
	72 Refund. Is line 66 more than line 70? If so, line 66 minus line 70	REFUND → 72	.00	
CHARITABLE CHECKOFF DONATIONS, PAGE 34 <i>I want to donate part of my tax refund to the following fund(s)</i>	American Diabetes Assoc. ●74	.00	Oregon Coast Aquarium ●75	.00
	SMART ●76	.00	SOLV ●77	.00
	The Nature Conservancy ●78	.00	St. Vincent DePaul Soc. of OR ●79	.00
	Oregon Humane Society ●80	.00	The Salvation Army ●81	.00
	Doernbecher Children's Hosp. ●82	.00	Oregon Veteran's Home ●83	.00
	Charity code ●84a <input type="checkbox"/> ●84b <input type="checkbox"/>	.00	Charity code ●85a <input type="checkbox"/> ●85b <input type="checkbox"/>	.00
	86 Total Oregon 529 College Savings Plan deposits. See instructions, page 34	86	.00	
	87 Total. Add lines 73 through 86. Total can't be more than your refund on line 72	87	.00	
	88 NET REFUND. Line 72 minus line 87. This is your net refund	NET REFUND → 88	.00	

DIRECT DEPOSIT 89 For direct deposit of your refund, see instructions, page 34. ● **Type of account:** Checking or Savings

● Routing No. ● Account No.

Will this refund go to an account outside the United States? ● Yes

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

Under penalty for false swearing, I declare that the information in this return is true, correct, and complete.

Your signature	Date	Signature of preparer other than taxpayer	● Preparer license no.
X		X	
Spouse's/RDP's signature (if filing jointly, BOTH must sign)	Date	Address	Telephone no.
X			

Amended Return

Form

40P

OREGON

Individual Income Tax Return
FOR PART-YEAR RESIDENTS

2014

For office use only

Oregon resident:

mm dd yyyy To mm dd yyyy

Fiscal year ending

K F P J

W

Last name	First name and initial <input type="checkbox"/> Deceased	Social Security No. (SSN) - -	Date of birth (mm/dd/yyyy)
Spouse's/RDP's last name if joint return	Spouse's/RDP's first name and initial if joint return <input type="checkbox"/> Deceased	Spouse's/RDP's SSN if joint return - -	Date of birth (mm/dd/yyyy)

Current mailing address			Telephone number ()
City	State	ZIP code	Country
If you filed a return last year, and your name or address is different, check here <input type="checkbox"/>			

Filing Status 1 <input type="checkbox"/> Single 2a <input type="checkbox"/> Married filing jointly 2b <input type="checkbox"/> Registered domestic partners (RDP) filing jointly 3a <input type="checkbox"/> Married filing separately: Spouse's name _____ Spouse's SSN _____ 3b <input type="checkbox"/> Registered domestic partner filing separately: Partner's name _____ Partner's SSN _____ 4 <input type="checkbox"/> Head of household: Person who qualifies you 5 <input type="checkbox"/> Qualifying widow(er) with dependent child	Exemptions <table border="1"> <tr> <td>6a Yourself Regular <input type="checkbox"/></td> <td>..... Severely disabled <input type="checkbox"/></td> <td>..... 6a <input type="text"/></td> </tr> <tr> <td>6b Spouse/RDP ... Regular <input type="checkbox"/></td> <td>..... Severely disabled <input type="checkbox"/></td> <td>..... b <input type="text"/></td> </tr> <tr> <td>6c All dependents First names _____</td> <td>..... c <input type="text"/></td> <td></td> </tr> <tr> <td>6d Disabled children only (see instructions)</td> <td>..... d <input type="text"/></td> <td></td> </tr> <tr> <td colspan="2">Total</td> <td>..... 6e <input type="text"/></td> </tr> </table>	6a Yourself Regular <input type="checkbox"/> Severely disabled <input type="checkbox"/> 6a <input type="text"/>	6b Spouse/RDP ... Regular <input type="checkbox"/> Severely disabled <input type="checkbox"/> b <input type="text"/>	6c All dependents First names _____ c <input type="text"/>		6d Disabled children only (see instructions) d <input type="text"/>		Total	 6e <input type="text"/>
6a Yourself Regular <input type="checkbox"/> Severely disabled <input type="checkbox"/> 6a <input type="text"/>														
6b Spouse/RDP ... Regular <input type="checkbox"/> Severely disabled <input type="checkbox"/> b <input type="text"/>														
6c All dependents First names _____ c <input type="text"/>															
6d Disabled children only (see instructions) d <input type="text"/>															
Total	 6e <input type="text"/>														

Check all that apply ->	7a You were: <input type="checkbox"/> 65 or older <input type="checkbox"/> Blind Spouse/RDP was: <input type="checkbox"/> 65 or older <input type="checkbox"/> Blind	7b <input type="checkbox"/> You filed an extension	7c <input type="checkbox"/> You have federal Form 8886	7d <input type="checkbox"/> You filed Oregon Form 24
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			Federal column (F)	Oregon column (S)
INCOME	8 Wages, salaries, and other pay for work. Include all Forms W-2	8F	.00	8S .00
	9 Taxable interest income from federal Form 1040, line 8a.....	9F	.00	9S .00
	10 Dividend income from federal Form 1040, line 9a.....	10F	.00	10S .00
	11 State and local income tax refunds from federal Form 1040, line 10.....	11F	.00	11S .00
	12 Alimony received from federal Form 1040, line 11	12F	.00	12S .00
	13 Business income or loss from federal Form 1040, line 12.....	13F	.00	13S .00
	14 Capital gain or loss from federal Form 1040, line 13.....	14F	.00	14S .00
	15 Other gains or losses from federal Form 1040, line 14.....	15F	.00	15S .00
	16 IRA distributions from federal Form 1040, line 15b.....	16F	.00	16S .00
	17 Pensions and annuities from federal Form 1040, line 16b.....	17F	.00	17S .00
	18 Rents, royalties, partnerships, etc., from federal Form 1040, line 17.....	18F	.00	18S .00
	19 Farm income or loss from federal Form 1040, line 18.....	19F	.00	19S .00
	20 Unemployment and other income from federal Form 1040, lines 19 through 21 ...	20F	.00	20S .00
	21 Total income. Add lines 8 through 20	21F	.00	21S .00
ADJUSTMENTS TO INCOME	22 IRA or SEP and SIMPLE contributions, federal Form 1040, lines 28 and 32.....	22F	.00	22S .00
	23 Education deductions from federal Form 1040, lines 23, 33, and 34.....	23F	.00	23S .00
	24 Moving expenses from federal Form 1040, line 26.....	24F	.00	24S .00
	25 Deduction for self-employment tax from federal Form 1040, line 27	25F	.00	25S .00
	26 Self-employed health insurance deduction from federal Form 1040, line 29.....	26F	.00	26S .00
	27 Alimony paid from federal Form 1040, line 31a.....	27F	.00	27S .00
	28 Other adjustments to income. Identify: ●28x <input type="checkbox"/> ●28y \$ <input type="text"/> Schedule 28z <input type="checkbox"/> ●28F	28F	.00	28S .00
	29 Total adjustments to income. Add lines 22 through 28	29F	.00	29S .00
	30 Income after adjustments. Line 21 minus line 29	30F	.00	30S .00
ADDITIONS	31 Interest on state and local government bonds outside of Oregon	31F	.00	31S .00
	32 Federal election on interest and dividends of a minor child	32F	.00	32S .00
	33 Other additions. Identify: ●33x <input type="checkbox"/> ●33y \$ <input type="text"/> Schedule included 33z <input type="checkbox"/>	33F	.00	33S .00
	34 Total additions. Add lines 31 through 33	34F	.00	34S .00
	35 Income after additions. Add lines 30 and 34	35F	.00	35S .00
SUBTRACTIONS	36 Social Security and tier 1 Railroad Retirement Board benefits included on line 20F ..	36F	.00	
	37 Other subtractions. Identify: ●37x <input type="checkbox"/> ●37y \$ <input type="text"/> Schedule included 37z <input type="checkbox"/> ●37F	37F	.00	37S <input type="text"/> .00
	38 Income after subtractions. Line 35 minus lines 36 and 37	38F	.00	38S <input type="text"/> .00
	39 Oregon percentage. Line 38S ÷ line 38F (not more than 100.0%) ●39 <input type="text"/> %	39		

▲ Carry this amount to line 40

	40 Amount from front of form, line 38F (federal amount).....	40	.00	
DEDUCTIONS AND MODIFICATIONS	41 Itemized deductions from federal Schedule A, line 29	41	.00	
	42 State income tax claimed as itemized deduction	42	.00	
	43 Net Oregon itemized deductions. Line 41 minus line 42	43	.00	
	44 Standard deduction from page 26.....	44	.00	
	45 2014 federal tax liability (\$0-\$6,350; see instructions for the correct amount)....	45	.00	
	46 Other deductions and modifications. Identify: ●46x <input type="checkbox"/> ●46y \$ <input type="checkbox"/> Schedule 46z <input type="checkbox"/> ●46	46	.00	
	47 Add lines 43, 45, and 46 if itemizing. Otherwise, add lines 44, 45, and 46	47	.00	
	48 Taxable income. Line 40 minus line 47	48	.00	
OREGON TAX	49 Tax from tax charts. 49a <input type="checkbox"/> See instructions, page 29	49	.00	
	50 Oregon income tax. Line 49 X Oregon percentage from line 39, or.....	50	.00	
	Check if tax is from: ● 50a <input type="checkbox"/> Form FIA-40P or ● 50b <input type="checkbox"/> Worksheet FCG			
	51 Interest on certain installment sales.....	51	.00	
	52 Total tax before credits. Add lines 50 and 51	OREGON TAX → 52	.00	
NONREFUNDABLE CREDITS	53 Exemption credit. See instructions, page 30	53	.00	
	54 Child and dependent care credit. See instructions, page 30.....	54	.00	
	55 Credit for income taxes paid to another state. State: ●55y <input type="checkbox"/> Schedule 55z <input type="checkbox"/> ●55	55	.00	
	56 Other credits. Identify: ●56x <input type="checkbox"/> ●56y \$ <input type="checkbox"/> Schedule included 56z <input type="checkbox"/> ●56	56	.00	
	57 Total non-refundable credits. Add lines 53 through 56	57	.00	
	58 Net income tax. Line 52 minus line 57. If line 57 is more than line 52, enter -0-	58	.00	
PAYMENTS AND REFUNDABLE CREDITS	59 Oregon income tax withheld from income. Include Forms W-2 and 1099	59	.00	
	60 Estimated tax payments for 2014 and payments made with your extension	60	.00	
	●60a <input type="checkbox"/> Wolf depredation ●60b <input type="checkbox"/> Claim of right			
	61 Tax payments from pass-through entity and real estate transactions	61	.00	
	62 Earned income credit. See instructions, page 32	62	.00	
	63 Working family child care credit from WFC-N/P, line 21	63	.00	
	64 Mobile home park closure credit. Include Schedule MPC.....	64	.00	
	65 Total payments and refundable credits. Add lines 59 through 64	65	.00	
	66 Overpayment. Is line 58 less than line 65? If so, line 65 minus line 58	OVERPAYMENT → 66	.00	
	67 Tax to pay. Is line 58 more than line 65? If so, line 58 minus line 65	TAX TO PAY → 67	.00	
	68 Penalty and interest for filing or paying late. See instructions, page 33.....	68	.00	
	69 Interest on underpayment of estimated tax. Include Form 10 and check box <input type="checkbox"/>	69	.00	
	Exception # from Form 10, line 1 ●69a <input type="checkbox"/> Check box if you annualized ●69b <input type="checkbox"/>			
	70 Total penalty and interest due. Add lines 68 and 69	70	.00	
	71 Amount you owe. Line 67 plus line 70	AMOUNT YOU OWE → 71	.00	
	72 Refund. Is line 66 more than line 70? If so, line 66 minus line 70	REFUND → 72	.00	
CHARITABLE CHECKOFF DONATIONS, PAGE 34 <i>I want to donate part of my tax refund to the following fund(s)</i>	American Diabetes Assoc. ●74	.00	Oregon Coast Aquarium ●75	.00
	SMART ●76	.00	SOLV ●77	.00
	The Nature Conservancy ●78	.00	St. Vincent DePaul Soc. of OR ●79	.00
	Oregon Humane Society ●80	.00	The Salvation Army ●81	.00
	Doernbecher Children's Hosp. ●82	.00	Oregon Veteran's Home ●83	.00
	Charity code ●84a <input type="checkbox"/> ●84b <input type="checkbox"/>	.00	Charity code ●85a <input type="checkbox"/> ●85b <input type="checkbox"/>	.00
	86 Total Oregon 529 College Savings Plan deposits. See instructions, page 34	86	.00	
	87 Total. Add lines 73 through 86. Total can't be more than your refund on line 72	87	.00	
	88 NET REFUND. Line 72 minus line 87. This is your net refund	NET REFUND → 88	.00	

DIRECT DEPOSIT 89 For direct deposit of your refund, see instructions, page 34. ● **Type of account:** Checking or Savings

● Routing No. ● Account No.

Will this refund go to an account outside the United States? ● Yes

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

Under penalty for false swearing, I declare that the information in this return is true, correct, and complete.

Your signature	Date	Signature of preparer other than taxpayer	● Preparer license no.
X		X	
Spouse's/RDP's signature (if filing jointly, BOTH must sign)	Date	Address	Telephone no.
X			

Continued from page 18

Example: Brennan and Maggie were ages 64 and 63 on December 31, 2014. They are filing a joint return with a federal adjusted gross income of \$55,000 and are itemizing deductions for Oregon. In 2014, 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 do not qualify for the subtraction. Brennan and Maggie would determine their subtraction as follows.

Special Oregon medical subtraction worksheet

	Column (A) You	Column (B) Spouse/RDP
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 claimed 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 below (\$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>	

- **Federal pension income [code 307].** You may be able to subtract some or all of your federal pension included in 2014 federal income. This includes retirement benefits paid to the retiree or the beneficiary. It does not include disability payments if you have not reached the minimum retirement age. The subtraction amount is based on the number of months of federal service or points earned before and after October 1, 1991:

— **If all your months of federal service or points were before October 1, 1991,** subtract 100 percent of the taxable amount of federal pension income you reported on your federal return.

- **If you have no months of service or points before October 1, 1991,** you cannot subtract any federal pension.
- **If your service or points occurred both before and after October 1, 1991,** you will subtract a percentage of the taxable federal pension income you reported on your federal return. To determine your percentage, divide your months of service or points earned before October 1, 1991, by your total months of service or points earned. Round to three places (example: $.4576 = 45.8$ percent). Once you determine the percentage, it will remain the same year to year. For more than one pension, figure the percentage and subtraction separately for each pension.

Use the following worksheet to determine your subtraction amount for each column:

Federal column

- | | |
|---|----------|
| 1. Federal pension included in federal column, Form 40N or Form 40P, line 17F. | 1. _____ |
| 2. Divide months of service or points earned before October 1, 1991, by total months of service or points earned. Enter the percentage here. | 2. _____ |
| 3. Multiply line 1 by line 2. Enter here and on Form 40N or Form 40P, line 37y or Schedule OR-ASC-N/P. Use code "307" to identify this subtraction and remember to carry the total of all "Other subtractions" to line 37F. | 3. _____ |

Oregon column

- | | |
|---|----------|
| 4. Federal pension included in Oregon column, Form 40N or Form 40P, line 17S. | 4. _____ |
| 5. Percentage from line 2. | 5. _____ |
| 6. Multiply line 4 by line 5. Enter here and on Form 40N or Form 40P, line 37S. | 6. _____ |

To avoid processing delays or adjustments, make sure your federal pension income is on the correct line and include a copy of your federal return.

- **Interest and dividends on U.S. bonds and notes [code 315].**

Federal column. On Form 40N or Form 40P, line 37F, fill in interest and dividends from the U.S. government that you included on lines 9F and 10F. Add U.S. government interest and dividends you received through partnerships or grantor trusts. Identify this using code "315" in box 37x or on Schedule OR-ASC-N/P.

See *Publication 17*^{1/2} for examples of this subtraction.

Oregon column. If you included interest and dividends from the U.S. government on lines 9S and 10S of the Oregon column, enter the amount on line 37S.

Note: When you sell or dispose of a U.S. government obligation, you must include any gain or loss in income.

• **Interest from local government bond [code 317].**

Federal column. The U.S. government taxes certain types of local government bond interest such as private activity bond interest. If you included interest from Oregon bonds on your federal return, enter "317" in box 37x and the amount in box 37y or on your Schedule OR-ASC-N/P. Remember to carry total subtractions from your Schedule OR-ASC-N/P to line 37F.

Oregon column. On line 37S, enter Oregon local government bond interest if you included it in Oregon income on line 9S.

• **Military pay [code 319].** Did you report U.S. military pay in income on line 8F or 8S? If so, you may qualify for a subtraction.

Federal column. Nonresidents—you can subtract all your military pay from the wages you reported in the federal column on line 8F.

Full-year and part-year residents—you can subtract the following from the wages you reported in the federal column on line 8F:

- All military pay received during the part of the year you were a nonresident, and
- All military pay earned while stationed outside Oregon during the part of the year you were a resident, and
- Up to \$6,000 of military pay earned in Oregon during the part of the year you were a resident.

Oregon column. Nonresidents—don't enter any amount. Military pay of a nonresident is not Oregon source income and should not be reported on line 8S. There is nothing to subtract.

Full-year and part-year residents—you can subtract the following from the wages you reported in the Oregon column on line 8S:

- All military pay earned while stationed outside Oregon during the part of the year you were a resident, and
- Up to \$6,000 of military pay earned in Oregon during the part of the year you were a resident.
- Oregon National Guard and reserve pay subtraction.

Guard and reserve training, weekend drills, and inactive duty training are eligible for this subtraction.

• **Oregon National Guard and reserve pay [code 319].**

You may be eligible for a military service subtraction if you met **both** of the following conditions:

- You served as a member of the Oregon National Guard or reserves, and

- You were required to be away from home overnight (for at least three consecutive weeks).

If you met **both** the conditions above, you can subtract all of the Oregon National Guard or reserve pay you earned while you met all of the above qualifications. You can subtract the amount from both the federal and Oregon columns.

Note: Your military pay subtractions in each column cannot be more than your total military pay included in that column.

• **Oregon income tax refund included in federal income [code 325].** This subtraction is for Oregon state income tax refunds only. Do **not** include other local, county, or other states' tax refunds.

Federal column. Enter your Oregon state income tax refund **only** if you included it on line 11F of the federal column.

Oregon column. Enter your Oregon state income tax refund **only** if you included it on line 11S of the Oregon column.

• **Oregon Lottery winnings [code 322].** Oregon does not tax Oregon Lottery winnings of \$600 or less per ticket; however, the federal government does. Oregon Lottery means all games offered by the Oregon State Lottery Commission and purchased in Oregon, but does not include winnings from tribal gaming centers in Oregon for nonresidents.

Federal column and Oregon column. You can subtract the following from the winnings you reported on lines 20F and 20S:

- Oregon Lottery winnings of \$600 or less from each single ticket or play, and
- Oregon Lottery annual payments from tickets purchased prior to 1998.

Example: David won two prizes in 2014—\$1,000 playing Oregon Lottery video poker and \$500 playing an Oregon Lottery Keno game. David must include \$1,500 on lines 20F and 20S, however, Oregon will not tax the \$500 he won playing Keno. He can subtract \$500 on his Oregon return in both columns because the winnings were from a single game and below the \$600 limit. He cannot subtract any of the \$1,000 he won playing video poker, because the prize was more than \$600 and is fully taxable to Oregon.

• **Railroad Retirement Board benefits [code 330].**

Federal column. Enter your tier 2, supplemental, windfall, and vested dual Railroad Retirement Board benefits included on line 17F. Add railroad unemployment benefits from line 20F.

Oregon column. Don't enter any amount. Oregon does not tax Railroad Retirement Board benefits or Railroad Retirement Board unemployment benefits.

• **Tuition and fees deduction [code 308].** **Note:** The tuition and fees deduction was expired at the time this publication was printed. If Congress did not

reinstate this deduction, you are not 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 weren't 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 take the federal tuition and fees deduction on your Oregon return as a subtraction 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 cannot claim the deduction if:

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

Federal column. Enter the amount of the federal tuition and fees deduction you would have claimed on your federal return if you hadn't claimed the federal credit. The maximum deduction you can claim is \$4,000 or \$2,000, depending on your income.

Oregon column. For the part of the year you were a nonresident, calculate your subtraction using the following formula:

$$\frac{\text{Oregon source income while a nonresident}}{\text{Total income while a nonresident}} \times \frac{\text{Qualified tuition and fees paid while a nonresident}}{\text{Total income while a nonresident}} = \text{Nonresident deduction}$$

Add the amount of qualified education expenses you paid while an Oregon resident. Enter the smaller of the results or the amount you would have deducted on your federal return, but no more than \$4,000.

- **The following subtractions** apply to only a few people and are not explained in this booklet. For more information, go to our website or contact us. Make the subtraction in **both** the federal and Oregon columns as needed if you included the related income in both columns. If you have only one "Other subtraction," enter the numeric code on line 37x and the amount for the **federal** column on lines 37y and 37F. If you're claiming more than one "Other subtraction," do **not** enter a code or amount on line 37x or 37y. Instead, check box 37z and include Schedule OR-ASC-N/P to your return with the numeric codes and amounts for the **federal** column of the subtractions. Enter the total from Schedule OR-ASC-N/P on line 37F. Determine the amount for Oregon and enter it on line 37S. For more information, go to our website or contact us.

- 529 Oregon College Savings Plan [code 324].
- American Indian [code 300].
- Basis adjustments.
 - Basis of business assets transferred to Oregon [code 358].

- Depreciation difference for Oregon [code 354].
- Gain or loss on the sale of depreciable property with a different basis for Oregon [code 355].
- Passive activity losses [code 356].
- Suspended losses [code 357].
- Capital Construction Fund (CCF) [code 339].
- Composite return [code 341].
- Construction worker and logger commuting expenses [code 303].
- DISC dividend payments [code 352].
- Discharge of indebtedness [code 350].
- Employee retirement plans previously taxed [code 327].
- Federal business credits [code 340].
- Federal gain previously taxed by Oregon [code 306].
- Fiduciary adjustments from Oregon estates and trusts [code 310].
- Film production labor rebate [code 336].
- Individual Development Account [code 314].
- IRA conversions previously taxed [code 348].
- Land donations to educational institutions [code 316].
- Mobile home park capital gain [code 338].
- Mobile home tenant payment [code 344].
- Net operating loss [code 321].
- Oregon investment advantage [code 342].
- Partnership or S corporation modifications for Oregon [code 323].
- Public Safety Memorial Fund award [code 329].
- Scholarship awards used for housing expenses [code 333].
- Taxable benefits paid for former RDPs [code 347].
- U.S. government interest in IRA or Keogh distributions [code 331].

39 Oregon percentage. Divide the amount on line 38S by the amount on line 38F. Round the decimal to three places. Write the result as a percentage on line 39. **Don't fill in more than 100 percent or less than -0-.**

Examples

Line 38S	Line 38F	Oregon percentage Line 39
\$8,000	÷ \$30,000	= 0.266666 Round to 0.267 (<u> </u> <u> </u> <u> </u> . <u> </u> <u> </u> <u> </u> %)
(1,000)	÷ 15,000	= -0- (0%) (<u> </u> <u> </u> <u> </u> . <u> </u> <u> </u> <u> </u> %)
20,000	÷ 15,000	= 1.333 Limited to 1.000 (<u> </u> <u> </u> <u> </u> . <u> </u> <u> </u> <u> </u> %)

If the amount on line 38S is **greater than** the amount on line 38F, your Oregon percentage is 100 percent. This is true even when line 38F is a negative number.

Deductions and modifications

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

If you claim itemized deductions fill in lines 41–43. If you claim the standard deduction fill in line 44 instead.

Note: If you're married/RDP filing separately and one spouse/RDP itemizes, both spouses/RDPs must itemize deductions. Are you filing separate returns for Oregon only? If so, determine your share of itemized deductions by multiplying your total joint deductions by the percentage you figured on line 39 or you can separate each spouse's/RDP's itemized deductions if you can clearly identify your own itemized deductions.

41 Itemized deductions. You can claim your total itemized deductions after federal limitations shown on federal Schedule A, line 29. You can claim itemized deductions for Oregon even if you don't have enough deductions to 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 42. Use your federal adjusted gross income to figure the Schedule A limitations. Provide a copy of your Schedule A with your return and keep a copy with your tax records.

42 State income tax or sales tax claimed as an itemized deduction. Write 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. Do not include local or county income tax amounts.

Are you claiming a 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 2014 net tax liability or the other state's 2014 tax claimed as an itemized deduction, whichever is less. For instructions on Form 40N or Form 40P, line 55, see page 30.

Did you limit itemized deductions on your federal return because your adjusted gross income 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 the 2014 *Publication 17½* at www.oregon.gov/dor/personal.

44 Standard deduction. Generally, your standard deduction is based on your filing status, as follows:

Single.....	\$2,115
Married/RDP filing jointly	\$4,230
Married/RDP filing separately	
If spouse/RDP claims standard deduction	\$2,115
If spouse/RDP claims itemized deductions	-0-
Head of household.....	\$3,405
Qualifying widow(er)	\$4,230

Did you check one or more of the boxes on line 7a, Form 40N or Form 40P, because you or your spouse/RDP are age 65 or older or blind? If so, you are entitled to an **additional deduction amount**.

If you checked one or more of the boxes on line 7a, 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 44.

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
- \$1,000.

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

Use the following worksheet to figure your standard deduction unless you are married/RDP. If you are a dependent and married/RDP, please 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> 1,000 </u> |
| 5. Enter the larger of line 3 or line 4. | 5. _____ |
| 6. Basic standard deduction for single. | 6. <u> 2,115 </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 40N or Form 40P, line 44. This is your standard deduction. | 10. _____ |

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

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

45 2014 federal tax liability subtraction. Complete the following worksheet to determine your **federal tax liability** subtraction for 2014. 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:** Use amounts from your actual return(s), **not** your "as if" return.

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

the amount on lines 46y and 46. For example, if you're reporting a foreign tax deduction, enter "603" on line 46x and the amount on lines 46y and 46. If you have more than one, check box 46z and include Schedule OR-ASC-N/P with your return with the numeric codes and amounts of the deductions or modifications. Modifications can be either additions or subtractions. Enter the total amount of these items from Schedule OR-ASC-N/P on line 46. If the net amount is an addition, please clearly place a minus sign in front of it. For example, "- 200."

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 the 2014 *Publication 17½* at www.oregon.gov/dor/personal.

- **Artists who make a charitable art donation (Form 40P filers only [code 600]).** Visit our website for details. You may take a full deduction; do not prorate. **Form 40N filers**, see Form 40N, line 48 instructions.
- **Special Oregon medical deduction.** The special Oregon medical deduction is no longer available. The deduction has been replaced with a subtraction. See page 17 for more details.
- The following deductions and modifications apply to only a few people and are not explained in this booklet. For more information, go to our website at www.oregon.gov/dor.
 - Claim of right income repayments [code 649].
 - Federal estate tax on income in respect of a decedent [code 605].
 - Federal health coverage tax credit [code 609].
 - Federal income tax refunds [code 601].
 - Federal tax from a prior year [code 602].
 - Foreign tax [code 603].
 - Gambling losses claimed as an itemized deduction [code 604].

- Itemized or business deduction addback for Oregon credits.
 - Contributions to Alternative Fuel Vehicle Fund [code 641].
 - Contributions to Child Care Fund [code 642].
 - Contributions to Oregon Cultural Trust [code 643].
 - Contributions to Individual Development Accounts [code 648].
 - Contributions to Oregon Production Investment Fund [code 644].
 - Contributions to Renewable Energy Development Fund [code 645].
 - Contributions to a university venture fund [code 646].
 - Long-term care insurance premiums [code 647].
- Mortgage interest credit [code 607].



Allowable deductions and modifications. Complete the worksheet below to determine the deductions and modifications you're entitled to claim.

1. If itemizing, enter amount from Form 40N, line 43. Otherwise enter the amount from Form 40N, line 44. 1. _____
2. Enter amount from Form 40N, line 45. 2. _____
3. Enter amount from Form 40N, line 46. 3. _____
4. Add together amounts from lines 1, 2, and 3 above. Enter result here. 4. _____
5. Enter your Oregon percentage from Form 40N, line 39, here. 5. _____
6. Multiply the amount from line 4 by the percentage on line 5. Enter result here and on Form 40N, line 47. 6. _____

Form 40N 48

Deductions and modifications not multiplied by Oregon percentage.

- **Artists who make a charitable art donation (Form 40N filers only).** Artists who make a charitable art donation may take a full deduction. Enter the amount on Form 40N. Visit our website for details.

Oregon tax

Form 40N 51

Form 40P 49

Tax from tax rate charts.

Figure the tax on your taxable income, Form 40N, line 50; or Form 40P, line 48. If you use the farm income averaging method or the farm asset capital gain method, see below. If not, go to the tax rate charts below. Enter your tax amount on Form 40N, line 51 and check box 51a; or Form 40P, line 49 and check box 49a. Please double-check that the tax you entered is correct.

Example: A married couple’s Oregon taxable income is \$29,500. They are filing jointly. They will use chart J for married filing jointly. They figure their tax like this:

		Chart J
Oregon taxable income		\$29,500
Subtract	-	16,500
		13,000
Multiply by 9%	×	0.09
		1,170
Then add	+	1,023
Their Oregon tax is		2,193

Form 40N 51

Form 40P 50

Tax from farm income averaging method or farm asset capital gain method.

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. Only Oregon source farm income is considered elected farm income.

If you use Form FIA-40N, *Oregon Farm Income Averaging for Nonresidents*, to calculate your tax, enter the tax amount from Form FIA-40N, line 19, on Form 40N, line 51, and check box 51b.

If you use Form FIA-40P, *Oregon Farm Income Averaging for Part-year Residents*, to calculate your tax, enter the tax amount from Form FIA-40P, line 18, on Form 40P, line 50, and check box 50a.

Include a copy of Form FIA-40N or FIA-40P with your return. 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.

Use Worksheet FCG, *Farm Liquidation Long-Term Capital Gain Tax Rate*, to calculate tax on your net farm capital gain and your other Oregon income. Download the worksheet from our website or contact us to order it. Do **not** include a copy of Worksheet FCG with your return. Keep a copy with your records.

Nonresidents. Enter the tax amount from Worksheet FCG, line 7, on Form 40N, line 51. Check box 51c labeled “Worksheet FCG.”

Part-year residents. Enter the tax amount from Worksheet FCG, line 8, on Form 40P, line 50. Check box 50b labeled “Worksheet FCG.”

Note: Form 40P filers using Form FIA-40P or Worksheet FCG do not enter an amount on Form 40P, line 49.

52 Interest on certain installment sales. Did you have installment sales that required you to pay interest on the deferred tax liability for federal purposes? If so, you must also compute interest for Oregon. The amount due for Oregon is computed the same way as for federal. The interest rate for 2014 is 0.3333 percent per month.

Nonresidents. Use only those installment obligations from dispositions of Oregon property while you were a nonresident of Oregon.

Credits—Non-refundable

Non-refundable credits cannot be more than your Oregon tax liability. Some credits have a carryforward

2014 Tax rate charts	
Chart S: For persons filing single or married/RDP filing separately—	
If your taxable income is not over \$3,300.....	your tax is 5% of taxable income
If your taxable income is over \$3,300 but not over \$8,250.....	your tax is \$165 plus 7% of excess over \$3,300
If your taxable income is over \$8,250 but not over \$125,000.....	your tax is \$512 plus 9% of excess over \$8,250
If your taxable income is over \$125,000.....	your tax is \$11,019 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 not over \$6,600.....	your tax is 5% of taxable income
If your taxable income is over \$6,600 but not over \$16,500.....	your tax is \$330 plus 7% of excess over \$6,600
If your taxable income is over \$16,500 but not over \$250,000.....	your tax is \$1,023 plus 9% of excess over \$16,500
If your taxable income is over \$250,000.....	your tax is \$22,038 plus 9.9% of excess over \$250,000

provision that allows you to use the remaining balance in the next year. Use credits that cannot be carried forward first. You must prorate some Oregon credits on your return as shown with an asterisk (*). This means you need to multiply your total credit by your Oregon percentage, line 39, to figure the amount you can claim on your Oregon return.

Form 40N 54

Form 40P 53

Exemption credit.* An exemption credit is not allowed if your federal adjusted gross income on line 30F of Form 40P or 40N exceeds:

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

If your federal adjusted gross income does not exceed the threshold amount for your filing status, multiply the total number of exemptions claimed on line 6e of Form 40P or 40N by \$191 and then multiply the total by your Oregon percentage from line 39. This is your exemption credit. **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 \$191 and enter the total on line 33.

Form 40P 54

Child and dependent care credit (Form 40P filers only)* 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. You must prorate this credit. **Note to RDPs:** Use your "as if" federal return to see if you qualify for the Oregon credit. Use the following worksheet to figure your credit for Oregon:

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. 3. _____
4. Multiply line 3 by the Oregon percentage from Form 40N or Form 40P, line 39. **Form 40P filers:** Enter the result on Form 40P, line 54. **Form 40N filers:** Enter the result on Form 40N, line 56 and identify with code 745. 4. _____

Did you pay 2013 child care expenses in 2014? If so, you may be able to use that amount to increase your 2014 Oregon child and dependent care credit. For more information, please contact us.

Carryforward. Your total 2014 child and dependent care credit can't be more than your 2014 tax liability for Oregon. You can carry forward any excess over the next five years. If the excess isn't used within five years, you lose it. See instructions for line 56.

55 Credit for income taxes paid to another state. If you paid 2014 income tax to another state or U.S. territory on income also taxed by Oregon, you may be able to claim a credit.

You must claim the credit on your nonresident return or your part-year resident return for the part of the year you were a nonresident if the income is taxed by both Oregon and one of the following states: Arizona, California, Indiana, or Virginia.

This credit is only for state income tax. You can't claim this credit for city or county income tax, sales tax, alternative minimum tax (AMT), property tax, school tax, or building funds.

Your credit is the **smallest** of the following:

- Your other state's 2014 net tax liability.
- Your Oregon tax liability after all credits, except credits for income taxes paid to other states.
- The amount figured using Formula 1, below.
- The amount figured using Formula 2, below.

Formula 1: Divide your modified adjusted gross income (MAGI) taxed by **both** states by your total MAGI, which is your income on Form 40P or Form 40N, line 38S. Multiply the result by your Oregon tax after all other credits. The result can't be more than your Oregon tax after credits.

$$\frac{\text{Your MAGI taxed by both states}}{\text{Your total MAGI}} \times \text{Your Oregon tax after all other credits}$$

Formula 2: Divide your MAGI taxed by **both** states by your total income on the other state's return. Multiply the result by the other state's tax after all other credits. "Total income" means income before subtracting itemized deductions and exemptions. The result can't be more than the other state's tax after credits.

$$\frac{\text{Your MAGI taxed by both states}}{\text{Your total income on the other state's return}} \times \text{Your other state's tax after all other credits}$$

If you have only one credit for income taxes paid to another state, enter the two-letter state abbreviation on Form 40N or Form 40P, line 55y, and the credit amount on Form 40N or Form 40P, line 55. If you're claiming more than one credit for income taxes paid to another state, do not enter a state abbreviation on line 55y. Instead check box 55z and include Schedule OR-ASC-N/P with your return identifying the states and the credit amounts for each state. Enter the total for all states from Schedule OR-ASC-N/P on Form 40N or Form 40P, line 55.

Caution: You can't claim this credit and also benefit from the itemized deduction for the tax paid to the other state. If you claim the tax as an itemized deduction, include the other state's 2014 net tax liability or the 2014 tax claimed as an itemized deduction, whichever is less, on Form 40N or Form 40P, line 42.

If the credit for income taxes paid to another state is based on a tax liability that is paid in two different tax years, you may be required to restore the deduction to Oregon income in two different tax years. For more information, please contact us.

You may be allowed to use this credit even if Oregon and another state tax the same income in different years. For more information, please contact us.

56 Other credits. You may qualify for other non-refundable credits. Please identify the credit using the numeric code. If you have only one "Other credit," enter the numeric code on Form 40N or Form 40P, line 56x and the amount on Form 40N or Form 40P, lines 56y and 56. For example, if you're a nonresident claiming a \$50 political contribution credit, enter "723" on Form 40N, line 56x and enter "\$50" on Form 40N, lines 56y and 56. If you're claiming more than one "Other credit," do **not** enter a code or amount on line 56x or 56y. Instead, check box 56z and include Schedule OR-ASC-N/P with your return with the numeric codes and the dollar amounts of the credits. Enter the total amount of "Other credits" from Schedule OR-ASC-N/P on Form 40N or Form 40P, line 56.

- **Child and dependent care (Form 40N filers only) [code 745].*** Read the information and fill out the worksheet for Form 40P, line 54 on page 30. If this is your only other credit, enter code 745 on Form 40N, line 56x and the amount from the worksheet on Form 40N, line 56y. Otherwise enter the code and amount on Schedule OR-ASC-N/P. Form 40P filers, enter your child and dependent care credit on Form 40P, line 54.

- **Child and dependent care carryforward [code 704].** Enter the amount of unused credit from a prior year on Form 40N or Form 40P, line 56 or Schedule OR-ASC-N/P. Do **not** include prior year child care

expenses. The prior year carryforward plus your current year's credit can't be more than your Oregon tax liability. You can carry forward this unused credit for five years from the year the credit was claimed. If the carryforward isn't used within five years, it's lost.

- **Elderly or the disabled [code 709].*** The Oregon credit is 40 percent of your federal credit. You can claim an Oregon credit **only** if you qualify for the federal credit. Multiply the amount from federal Form 1040, Schedule R, line 20, by 40 percent (0.40). Then multiply the result by the Oregon percentage on Form 40N or Form 40P, line 39. You can claim this credit or the retirement income credit, but **not** both. **Note to RDPs:** Use your "as if" federal return to see if you qualify for the Oregon credit.

- **Political contribution [code 723].** Fill in your total political contributions, up to \$100 on a joint return or up to \$50 on all others. You must have contributed money during 2014 to any of the following:

- A qualified 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 (PAC) certified in Oregon.

Note: A political contribution credit is not allowed if your federal adjusted gross income on line 30F of Form 40N or Form 40P exceeds:

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

- **Retirement income [code 730].** If you were age 62 or older on December 31, 2014, and receiving retirement income, you may qualify for a credit. You qualify for this credit if:

- Your household income is less than \$22,500 (\$45,000 if married filing jointly), **and**
- Your Social Security benefits and/or tier 1 Railroad Retirement Board benefits are less than \$7,500 (\$15,000 if married filing jointly), **and**
- Your household income plus your Social Security and/or tier 1 Railroad Retirement Board benefits is less than \$22,500 (\$45,000 if married filing jointly).

If you think you qualify, contact us for more information.

- The following credits apply to only a few people. For more information, go to our website or contact us.

- Agriculture workforce housing [code 712].*
- Alternative Fuel Vehicle Fund [code 753].
- Biomass production/collection [code 743].*
- Business energy [code 703].
- Business tax credits from flow-through entity [code 736].
- Child Care Fund contributions [code 705].
- Crop donation [code 708].*

- Diesel engine repower or retrofit [code 734].*
- Electronic commerce zone investment [code 710].
- Employer-provided dependent care assistance [code 707].
- Employer scholarship [code 711].*
- Energy conservation project [code 750].
- Fish screening devices [code 714].*
- Individual Development Account (IDA) donation [code 715].
- IDA withdrawal for home purchase [code 738].
- Long-term care insurance premiums [code 716].*
- Loss of use of limbs [code 717].
- Low-income caregiver credit [code 718].
- Low-income community jobs initiative credit [code 752].
- Mutually taxed gain on the sale of residential property [code 720].
- Oregon Cultural Trust [code 722].*
- Oregon Production Investment Fund [code 737].
- Oregon Veterans' Home physicians [code 747].*
- Pollution control facilities [code 724].
- Reforestation of underproductive forestlands carryforward [code 727].
- Renewable energy development contributions [code 749].
- Renewable energy resource equipment manufacturing facility carryforward [code 748].
- Reservation enterprise zone [code 728].*
- Residential energy [code 729].*
- Riparian land carryforward [code 735].*
- Rural EMTs [code 742].*
- Rural medical practitioners [code 731].*
- Transportation projects [code 751].
- University venture fund [code 739].*

*Prorated credit (multiplied by Oregon percentage).

Tax payments and refundable credits

59 Oregon income tax withheld from income. Fill in the total **Oregon** tax withheld from your wages and other income shown on your Form(s) W-2 or 1099. Don't use the FICA (Social Security) tax withheld from your pay. **Don't** use tax withheld from your wages by other states. **Include a readable and unaltered copy** of your Form W-2 from each job and any Form(s) 1099 showing Oregon income tax withheld.

If you don't have a Form W-2 or 1099, you must provide other proof of Oregon tax withheld. Proof may include a copy of a final paycheck stub or a letter from your employer.

60 Estimated tax payments for 2014 and payments made with your extension. Fill in the total Oregon estimated tax payments you made before filing your 2014 Oregon return. Include any payments made with your Oregon extension. Also include any refund you applied to your 2014 estimated tax. If the department adjusted your applied refund, be sure to use the

adjusted amount. If you need to verify your estimated payment amounts, please contact us.

Are you claiming a wolf depredation credit or claim of right credit? If so, check box 60a or 60b and include the credit amount on line 60. **Note:** the wolf depredation credit is limited to your Oregon percentage. Multiply the total credit by your percentage from line 39 on Form 40P or Form 40N before entering on line 60. For more information on these credits, go to the 2014 *Publication 17½* by clicking on "Publications" at www.oregon.gov/dor/personal.

61 Nonresidents—Tax payments from pass-through entity and real estate transactions. If you are an owner in a pass-through entity and you did not join in the filing of a composite return to report that income, enter the amount of tax payments by the pass-through entity on your behalf. Also include any tax payments from real estate transactions.

62 Earned income credit (refundable). You're allowed an Oregon earned income credit **only** if you qualify for the earned income credit on your federal return ("as if" returns for RDPs). You must prorate this credit. Your Oregon credit is 8 percent of your federal credit multiplied by your Oregon percentage. For example, if your federal credit is \$2,500, your Oregon credit is \$200 ($\$2,500 \times 0.08$) multiplied by your Oregon percentage from Form 40N or Form 40P, line 39.

Use the following formula to compute 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% (0.08). Enter the result here. | 2. _____ |
| 3. Multiply line 2 by the Oregon percentage (Form 40N or Form 40P, line 39). Enter the result here and on Form 40N or Form 40P, line 62. | 3. _____ |

The Oregon earned income credit is refundable. If the credit is more than your tax liability, the difference will be refunded to you.

63 Working family child care credit (refundable). This credit is available to low-income working families with qualifying child care expenses. To see if you qualify, check the Schedule WFC-N/P instructions by clicking on "Forms" at www.oregon.gov/dor/personal.

64 Mobile home park closure credit (refundable). Enter the amount from Schedule MPC, line 5. Include Schedule MPC with your return. For more information download the publication from our website or contact us to order it.

Penalties and interest

68 **Penalty and interest for filing or paying late.** Your tax is due **April 15, 2015**. Your return is also due April 15, 2015, unless you file for an extension by that date.

Penalty. Include a penalty payment if you:

- Mail your tax payment after April 15 (even if you have an extension to file), or
- 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 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 unpaid tax.

Interest. If you're paying your tax after April 15, 2015, 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 through May 15 is a full month 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 is not paid within 60 days of our bill, the interest rate increases to 8 percent per year.

Note: Do not calculate interest if you file late and expect a refund. It may delay processing of your refund.

69 **Interest on underpayment of estimated tax.** For 2014, you'll have an underpayment if you paid less than 90 percent of the tax due on **each** estimated tax payment due date.

Use Form 10, *Underpayment of Oregon Estimated Tax*, to determine if you have an underpayment. Download the form from our website or contact us to order it. If you have an underpayment, you **must** file Form 10 with your return. Check the box and enter the amount of interest due from Form 10, line 34 on Form 40N or Form 40P, line 69.

If you meet an exception, simply enter the exception number on Form 40N or Form 40P, line 69a and do not include Form 10. If you used the *Annualized Income Worksheet*, check box 69b and file the form with your return.

71 **Amount you owe.** You can pay your tax with a check, money order, electronic payment, or credit card.

Electronic payment from your checking or savings account

You can pay your current year income taxes, 2015 estimated income taxes, any prior year tax 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.

Credit or debit card payments

You can also 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. **Please keep this confirmation number as proof of payment—do not send with your return.**

Credit card service provider:

Value Payment Systems, Inc., 1-888-972-9673
www.payortax.com

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 the 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 "2014 Oregon Form 40N" or "2014 Oregon Form 40P" on your check.
- Please use **blue or black** ballpoint ink. Do not use gel ink or the colors red or purple.
- **Do not send cash or a postdated check.**
- Include your payment and the Form 40-V payment voucher (see page 27) with your Form(s) W-2 and 1099.

Payment plan. If you cannot pay in full now, pay what you can. Use the payment voucher, Form 40-V, on page 27. We will work with you to set up a payment plan for the amount you do not pay with your return.

Special instructions. Do you owe interest on Form 40N or Form 40P, line 69 and have an overpayment on Form 40N or Form 40P, line 66? If the interest you owe is more than your overpayment, you have an amount due. Subtract line 66 from line 69 and enter the result on line 71.

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

72 **Refund.** You must have a refund on Form 40N or Form 40P, line 72 to apply money to an open estimated tax account or to donate all or part of your refund to the charities listed.

73 **Estimated tax.** If you have a refund on Form 40N or Form 40P, line 72, you may apply part or all of it to an open estimated tax account. Generally, unless filing a delinquent or amended return, this will apply to your 2015 estimated taxes. See *Publication 17½* for additional information. Fill in the amount of line 72 you want to apply. Do not fill in more than the amount on Form 40N or Form 40P, line 72. Your election to apply some or all of your refund to an open estimated tax account cannot be changed.

Charitable checkoff donations

74–83 You may donate all or a portion of your refund shown on line 72 to the charities listed on lines 74–83. Donations will reduce your refund. You can also donate to **two** of the charities listed under the instructions for lines 84 and 85. Please do not mail your donation to the Department of Revenue.

84 & 85 **Other charity.** You may donate all or part of your refund to **two** of the following charities.

Enter the charity code on Form 40N or Form 40P, line 84a or 85a. **Enter only one code in each box.** Write the amount you want to donate next to the code on Form 40N or Form 40P, line 84b or 85b. If you want to donate to more than two of the charities listed below, you can mail your donations directly to the charities.

- Oregon Non-Game Wildlife [code 19].
- Prevent Child Abuse [code 20].
- Alzheimer’s Disease Research [code 21].
- Stop Domestic and Sexual Violence [code 22].
- Habitat for Humanity [code 1].
- Oregon Head Start Association [code 2].
- Planned Parenthood of Oregon [code 13].
- Oregon Lions Sight & Hearing Foundation [code 14].
- Shriners Hospitals for Children—Portland [code 15].
- Special Olympics for Oregon [code 16].
- Susan G. Komen for the Cure [code 17].
- Oregon Military Financial Emergency Assistance [code 24].
- Oregon Historical Society [code 18].
- Oregon Food Bank [code 25].
- Albertina Kerr Kid’s Crisis Care [code 26].
- American Red Cross [code 27].
- Cascade AIDS Project [code 28].
- Veterans Suicide Prevention and Outreach Program [code 23].

86 **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-N/P on our website.

88 **Net refund.** You must **reduce your refund** by any amounts applied to an open estimated tax account, charitable checkoff donations, and Oregon 529 College Savings Plan deposits. **The department cannot issue a refund if your return is filed more than three years after the due date of the return (excluding extensions).**

Direct deposit

89 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 correct routing and account numbers.
2. **Check the appropriate box, either checking or savings, but not both.**
3. **Enter your nine-digit routing number.** The routing number must begin with 01 through 12, 21 through 32, or 61 through 72.
4. **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.
5. **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.
6. **Double-check** the account and routing numbers. These numbers can’t be changed after the return is filed.

Signature block

Signature(s). Be sure to sign and date your return. If you’re filing a joint return, both taxpayers must sign.

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, 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 at 503-378-4034 (Salem) for licensed tax consultants or preparers, or go to www.oregon.gov/OBTP.
- State Board of Accountancy at 503-378-4181 (Salem) for public accountants and certified public accountants, or go to www.oregon.gov/BOA.

Preparer license number. Licensed tax consultants and tax preparers: enter your license number. CPAs: enter your certificate number. Tax-Aide volunteers:

enter your TCE site number. All others: leave blank. Do **not** enter your driver's license number.

Before you file

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

1. Start with Form 40N or Form 40P.
2. If applicable, place these items in the following order behind your Form 40N or Form 40P:
 - Form(s) W-2 and any Form(s) 1099 showing Oregon tax withheld.
 - *Oregon Amended Schedule.*
 - *Schedule OR-ASC-N/P, Oregon Adjustments for Form 40N and Form 40P Filers.*
 - *Schedule OR-529-N/P, Oregon 529 College Savings Plan Direct Deposit for Form 40N and Form 40P Filers.*
3. Include a copy (front and back) of your federal Form 1040, 1040A, 1040EZ, 1040NR, or 1040NR-EZ. If you are filing as an RDP, include the federal "as if" return. **Write "RDP for Oregon Only" in blue or black ink on the top left corner of your "as if" return.** Also include copies of the federal returns you and your RDP actually filed.
4. Include your check or money order and completed Form 40-V payment voucher (page 27). If paying by electronic payment or credit card, do not use Form 40-V.
5. **If applicable**, place these items in the following order behind the federal form:
 - *Schedule WFC-N/P, Oregon Working Family Child Care Credit for Form 40N and Form 40P filers.*
 - *Oregon Form 10, Underpayment of Oregon Estimated Tax.*
 - *Form 243, Claim to Refund Due a Deceased Person.*
 - *Oregon Form 24, Like-Kind Exchanges/Involuntary Conversions.*
 - *Form FIA-40N, Oregon Farm Income Averaging for Nonresidents, or Form FIA-40P, Oregon Farm Income Averaging for Part-Year Residents.*
 - *Exempt Income Schedule for Enrolled Members of a Federally Recognized American Indian Tribe.*
 - *Schedule MPC, Mobile Home Park Closure.*
 - *Transfer Notice for Certain Credits.*
 - Statements for lines that need explanation.

Be sure the second page of your return is the same form as the first page. *Example:* If you file Form 40N, be sure that "Page 2—2014 Form 40N" is printed at the top of the second page.

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

How long do I have to file my return and get a refund?

You have three years from the due date of the return to file a claim for a refund. By law, the Department of Revenue cannot issue a refund if your return is filed more than three years after the due date (excluding extensions).

To avoid processing delays, remember

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

Double-check your math calculations and other figures, including your Social Security number. The most common mistakes are math errors and the amount claimed for the federal tax subtraction. Please double-check the tax you figured. Errors will delay processing.

If you have tax to pay, read Form 40N or Form 40P, line 71 instructions on page 33.

Identify other additions, other subtractions, and other credits as instructed.

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

Sign your return (both spouses or RDPs must sign a joint return).

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

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 with your return. If 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. Please do not 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



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

PRSR STD
U.S. POSTAGE
PAID
Oregon Department
of Revenue

Have questions? Need help?

Internet

www.oregon.gov/dor

- Download forms, instructions, and publications.
- Check your refund status.
- Make payments.
- Find out how much you owe.

Twitter: ORrevenue

Email or write

questions.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

Español: preguntas.dor@oregon.gov

Phone

Salem area or outside Oregon 503-378-4988

Toll-free from an Oregon prefix..... 1-800-356-4222

- Check your refund status.
- Order forms, instructions, and publications.
- Listen to recorded information.
- Speak with a representative:

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.

In person

Find directions and hours on our website.