Information throughout this publication was updated on April 1, 2026, to reflect the passage of SB 1510 during the 2026 legislative session.

OREGON DEPARTMENT OF REVENUE

Publication OR-21-EST

2026

Oregon Pass-through Entity Elective Tax Estimated Payment Instructions

General information

A PTE that will elect to pay the PTE-E tax must make estimated tax payments during the tax year. Paying estimated tax is not the same as making the election. The election is made when the PTE files Form OR-21, *Oregon Pass-through Entity Elective Tax Return,* with the "Election" box checked.

PTE-E tax estimated payment requirements aren't the same as federal or Oregon estimated tax payments. The PTE must make estimated tax payments if the PTE expects to owe tax of $1,000 or more. If the PTE doesn't make estimated payments as required, the PTE may owe underpayment interest when it files its return. See "Interest on underpayment of estimated tax" in Form OR-21 Instructions for more information.

Registration required

Before estimated payments can be made, the PTE must register with the department using Revenue Online. Go to our website, www.oregon.gov/dor, for registration information. **Registering and making estimated payments are not the same as making the election**. The election is made by timely filing the return with the "Election" box marked.

Definitions

Estimated tax: The amount of PTE-E tax that will be shown on Form OR-21.

Estimated tax payment: An annual payment or an installment payment that the PTE must make during the tax year if it will make the election to pay PTE-E tax.

Annualize: Calculation for determining required estimated payments if the PTE doesn't receive its income evenly through the year.

Underpayment interest: The amount of interest charged on an underpayment of PTE-E tax if required payments aren't made.

Required annual payment: The total amount of all tax payments, including estimated tax payments, that the PTE must make by the required due dates in order to avoid being charged underpayment interest.

For more definitions and general information about estimated tax payments, see Publication OR-ESTIMATE, *Oregon Estimated Income Tax Instructions* or Form OR-37 Instructions, *Underpayment of Oregon Corporation Estimated Tax.*

Payment due dates

PTE-E tax installment payments are due quarterly on a **calendar-year** basis. The due dates for calendar year 2026 are:

First installment	April 15, 2026
Second installment	June 15, 2026
Third installment	September 15, 2026
Fourth installment	January 15, 2027

Calculating installment payments

The PTE may pay all of the estimated tax by the due date for the first installment payment, or the payments may be made in up to four installments. There are two methods for calculating the installment amount. For the first method, divide the annual required payment into four equal installment payments. These are known as regular installments. The second method, for PTEs that do not realize their income evenly throughout the year, is to calculate annualized installment payments.

Safe harbor option. The "safe harbor" provision gives electing PTEs the option to calculate their installment payments using 100 percent of last year's PTE-E tax. This can benefit entities whose income varies from year to year. To use safe harbor for 2026, the PTE must have made the election for 2025.

Method 1: Regular installments

Regular installment worksheet instructions

Use this worksheet to figure the amount of the PTE's regular installment of estimated PTE-E tax. This worksheet must be completed even if the PTE will make annualized installment payments. Round all dollar amounts to the nearest $1.

Note: If you're using the safe harbor option, skip lines 1 and 2 of the worksheet and on line 3, enter the amount from the PTE's 2025 Form OR-21, line 23.

Line 1: Total distributive proceeds from Oregon sources. Determine the total amount of distributive proceeds from Oregon sources the PTE expects to have for the current tax year. Estimate the distributive proceeds for each period. **Note:** Separately stated deductions, such as the expense deduction allowed under Section 179 of the Internal Revenue Code (IRC) or the IRC Section 170 deduction for charitable contributions are not included in the calculation of estimated tax. Distributive proceeds include:

- Ordinary business income or loss.
- Net rental real estate income or loss.

- Other net rental income or loss.
- If the PTE is a partnership, guaranteed payments to partners.
- Interest income.
- Ordinary dividends.
- Royalties.
- Net capital gain or loss.
- Net IRC Section 1231 gain or loss.
- Other income or loss.

Unless the PTE must apportion its income, enter the total income from the sources listed above on line 1 of the **Regular installment worksheet**, below.

Apportioned income: Any PTE with income from business activity that is taxable by Oregon and one or more other states must apportion its income according to Oregon's Uniform Division of Income for Tax Purposes Act, ORS 314.605 to 314.675, unless the PTE is a financial institution or public utility. In that case, the PTE must apportion its income using the provisions of ORS 314.280. See Schedule OR-AP Instructions, *Apportionment of Income for Corporations and Partnerships*, for information about apportioned and allocated income.

If the PTE will be apportioning its income, use this worksheet to estimate the PTE's total distributive proceeds. For line D, you will need to estimate the PTE's apportionment percentage using lines 13 through 23 of Schedule OR-AP as a guide.

Apportioned income worksheet

A. Total income determined above.	A. ________
B. Non-apportionable amount included on line A.	B. ________
C. Line A minus line B. If less than zero, enter 0.	C. ________
D. Estimated apportionment percentage.	D. ________
E. Line C multiplied by Line D.	E. ________
F. Allocable income included on line B.	F. ________
G. Line E plus line F. This is the PTE's total distributive proceeds if income is apportioned.	G. ________

Enter the amount from line G on line 1 of the **Regular installment worksheet**, below.

Line 2: Tax. Use this worksheet to calculate the tax.

Tax worksheet

A. Distributive proceeds from line 1.	A. ________
B. Amount taxed at 9%.	B. 250,000
C. Line A minus line B. If less than zero, enter 0.	C. ________
D. Multiply line C by 9.9% (0.099).	D. ________
E. If line D is zero, multiply line A by 9% (0.09); otherwise, enter $22,500.	E. ________
F. Line D plus line E. This is the estimated PTE-E tax.	F. ________

If the amount on line F is less than $1,000, **stop**; estimated tax payments are not required. If the amount on line F is $1,000 or more, enter the amount from line F on line 2 of the **Required installment worksheet** and continue to line 3.

Line 3. Annual required payment. Multiply the amount on line 2 times 90 percent (0.9). This is the annual required payment.*

Line 4. Regular installment payment. Line 3 divided by four.

Regular installment worksheet

1. Total distributive proceeds from Oregon sources.	1.________
2. Tax (see instructions) If the amount on line 2 is less than $1,000, stop; estimated tax isn't required.	2.________
3. Multiply line 2 by 90% (0.9). Round to the nearest $1.*	3.________
4. Regular installment payment. Line 3 divided by four.	4.________

*If you're using the safe harbor option, enter 100 percent of the amount from the PTE's 2025 Form OR-21, line 23.

Method 2: Annualized installments

If the PTE doesn't realize its income evenly throughout the year, the required estimated tax payments may be figured using the annualized installment method. With this method, income and tax are placed on an annualized basis for each period, and the lesser of the regular installment or annualized installment for each period is the required payment amount. Complete the **Regular installment worksheet** above before completing the **Annualized installment worksheet**, below.

Annualized installment worksheet instructions

Use the worksheet below to figure the PTE's annualized installment payments. The period dates in the worksheet are based on a calendar year.

Fiscal-year filers: To figure your annualized payment **amount**, use the first day of the fiscal year as the beginning date, and use the ending dates for each period that correspond to the last day of the third, fifth, and eighth months and the last day of the fiscal year. However, the **due dates** for the payments are the calendar-year dates shown on page 1.

Example: Mason, Drake, and Street, LLC, uses a fiscal year that begins on August 1 and ends on July 31. It will be annualizing its income. For each period of the fiscal year ending in 2026, their beginning date is August 1, 2025. Here are the ending and payment dates it uses for each annualized installment for the fiscal year ending in 2026:

Installment	Ending date	Payment date
First	October 31, 2025	April 15, 2026
Second	December 31, 2025	June 15, 2026
Third	March 31, 2026	September 15, 2026
Fourth	July 31, 2026	January 15, 2027

Work through the worksheet **column-by-column** except where otherwise indicated.

Line 1. Estimate the Oregon distributive proceeds for each period using the instructions for line 1 of the **Regular installment worksheet** as a guide. Enter only the proceeds for the fiscal year (FY) time period shown at the top of each column. The amount in box 1D should be the same as the total Oregon distributive proceeds for the year from line 1 of the **Regular installment worksheet.**

Line 4. If the annualized amount on line 3 is less than $250,000, multiply line 3 times 9 percent (0.09). Otherwise, calculate the tax using the **Tax worksheet** for line 2 of the **Regular installment worksheet** as a guide.

Line 7. Don't enter an amount in box 7A because there were no prior installment payments before this period. Enter the amount from box 13A in box 7B, box 13A plus box 13B in box 7C, and box 13A plus box 13B plus box 13C in box 7D.

Line 10. The excess regular installment entered on line 12 is the difference between the regular installment payment and the annualized installment payment for the period. Don't enter an amount in box 10A because there was no excess regular installment amount before this period. Enter the excess regular installment amount from box 12A in box 10B, box 12B in box 10C, and box 12C in box 10D.

Annualized installment worksheet

	A Jan. 1 to Mar. 31	B Jan. 1 to May 31	C Jan. 1 to Aug. 31	D Jan. 1 to Dec. 31
1. Distributive proceeds from Oregon sources for the period (see instructions).				
2. Annualization multiplier.	4	2.4	1.5	1
3. Annualized distributive proceeds. Line 1 multiplied by line 2.				
4. Annualized tax (see instructions).				
5. Percentage for this period (as a decimal).	0.225	0.45	0.675	0.9
6. Annualized tax for this period. Line 4 multiplied by line 5.				
7. Prior period installment (see instructions).				
8. Line 6 minus line 7. If less than zero, enter 0.				
9. Line 4 of the **Regular installment worksheet**, above.				
10. Prior excess regular installment (see instructions).				
11. Line 9 plus line 10.				
12. Excess regular installment amount. Line 11 minus line 8. If less than zero, enter 0.				
13. **Annualized installment payment**. Enter the smaller of line 8 or line 11.				

Line 13. This is the annualized installment payment that you will need to make for each period if using this method.

Paying estimated tax

Online payments. Log into the PTE's Revenue Online account to make a payment. If you make a non-logged in payment you will need the PTE-E tax account number. If you don't know the PTE-E tax account number, log into the PTE's Revenue Online account.

Check or money order payments by mail. Use Form OR-21-V, *Oregon Pass-through Entity Elective Tax Payment Voucher,* to make an estimated tax payment by mail. See Form OR-21-V Instructions for payment and mailing information.

Do you have questions or need help?

www.oregon.gov/dor
503-378-4988 or 800-356-4222
questions.dor@dor.oregon.gov

Contact us for ADA accommodations or assistance in other languages.