

2017 Oregon Income Tax

Part-year Resident/Nonresident

Publication OR-40-NP



Forms and instructions: Form OR-40-N Schedule OR-ASC-NP
Form OR-40-P Schedule OR-ADD-DEP
Form OR-40-V Schedule OR-529
Schedule OR-DONATE



Check out our online services

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

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

Visit www.oregon.gov/dor to sign up for a Revenue Online account.

- **April 17, 2018** is the due date for filing your return and paying your tax due.
- **File electronically—it's fast, easy, and secure.** See page 3.
- See page 27 for payment options.
- **Find out if you qualify for the earned income credit.** See page 23.
- **Find out if you qualify for the working family household and dependent care credit.** See Schedule OR-WFHDC-NP for details.
- Veterans' benefits. Find out more at www.oregon.gov/odva.
- These instructions are not a complete statement of laws and Oregon Department of Revenue rules. You may need more information. See page 2.

www.oregon.gov/dor

Contents

Electronic filing	3	Subtractions	17
New information	4	Oregon percentage	18
General information	5	Deductions and modifications	18
Should I file an Oregon return?	5	Oregon tax	21
What does income from Oregon sources include?	5	Tax rate charts	22
Residency	6	Credits—nonrefundable	22
What form do I use?	6	Tax payments and refundable credits	23
Military personnel	7	Oregon surplus credit (kicker)	23
When should I file my return?	7	Penalties and interest	26
What if I need more time to file?	7	Payment options	27
2018 estimated tax	8	Refund	27
What if I need to change my Oregon return after filing?	8	Direct deposit	28
General instructions for Forms OR-40-N and OR-40-P	10	Before you file	29
Check the boxes	10	Avoid processing delays	29
Name and address	11	Tax return mailing addresses	30
Filing status	11	Form OR-40-N	31
Exemptions	11	Form OR-40-P	37
Federal column instructions, lines 7–29	14	Form OR-40-V, payment voucher	43
Oregon column instructions, lines 7–29	14	Schedule OR-ASC-NP	45
Adjustments	16	Schedule OR-ADD-DEP	57
Additions	17	Schedule OR-529	59
		Schedule OR-DONATE	61

Do you have questions or need help?

Internet

www.oregon.gov/dor

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

Email or write

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

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

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

Printed forms or publications:

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

Revenue Online

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

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

Phone

(503) 378-4988 or 1 (800) 356-4222

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

Contact us for ADA accommodations or assistance in other languages.

In person

Find directions and hours on our website.

Photo on cover: Oregon's total solar eclipse—Salem, Oregon © 2017 Oregon Department of Revenue

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 received and 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's 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 1.6 million other Oregon taxpayers who electronically file their Oregon returns.

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

1. Ask your tax preparer.

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

2. Online tax preparation software.

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

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

Federal tax law

No extension to pay. Oregon does not allow an extension of time to pay your tax, even if the IRS is allowing an extension. Your 2017 Oregon tax is due April 17, 2018.

Federal law connection. Oregon is tied to federal income tax laws **as of December 31, 2016**. Oregon has a rolling tie to federal changes made to the definition of taxable income, with two exceptions:

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

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

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

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

Important reminders

Federal return. You must include a copy of your Federal Form 1040, 1040A, 1040EZ, 1040X, 1040NR, or 1040NR-EZ with your Oregon return. Without this information, many items claimed on your Oregon return may be disallowed or adjusted.

Schedule OR-ASC-NP. If you are claiming an adjustment, addition, subtraction, modification, or credit using a code listed in Publication OR-CODES, you must include Schedule OR-ASC-NP. Without this information, the item claimed may be disallowed or adjusted.

Publication OR-17. Publication OR-17 can be accessed online at www.oregon.gov/dor.

You may order Publication OR-17 for \$7 in person, online, or by mail.

- Order online: go to Revenue Online at www.oregon.gov/dor and click the link to "Request forms and publications."
- Order by mail: send your order with your name, phone number, payment, and mailing address to:

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

New information

Revenue Online. Revenue Online provides convenient, secure access to tools for managing your Oregon tax account—completely free! With Revenue Online, you may:

- View your tax account.
- Check the status of your refund.
- View and print letters from us.
- Make payments or schedule future payments.
- Securely communicate with us.
- Check balances and view your account history.
- Receive your Form 1099-G, if applicable.

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

Kicker refund. Oregon’s surplus credit (known as the “kicker”) will be claimed as a credit on your 2017 tax return. The credit is a percentage of your 2016 tax liability. You may choose to donate your surplus credit to the Oregon State School Fund. See page 23 for more information and instructions for calculating your credit and also for donating your credit to the Oregon State School Fund. You must file a 2017 return to claim your kicker credit, even if you don’t otherwise have an obligation to file.

Earned income credit. If your child is age two or younger on December 31, 2017, and you qualify for the federal earned income tax credit, you are now able to

claim 11 percent of the federal credit amount as an Oregon credit. All other taxpayers can continue to claim eight percent of the federal credit amount as an Oregon credit. See page 23 for additional information.

Federal tax liability subtraction. The federal tax subtraction limit is \$6,550 (\$3,275 for married filing separately) for 2017 and may be limited further based upon adjusted gross income (AGI). See page 19.

ABLE (Achieving a Better Life Experience) accounts addition requirement. Oregon requires an addition if contributions made to an ABLE account for the benefit of a person with a disability were subtracted from taxable income in an earlier year and withdrawn in a later year for an unqualified purpose. For more information about this addition, see Publication OR-17.

Special Oregon medical subtraction. For tax year 2017, you or your spouse must be age 64 or older on December 31, 2017 to qualify for the subtraction. See Schedule OR-ASC-NP instructions.

Tuition and fees deduction and subtraction. As of the date this publication was printed, Congress had not renewed the federal tuition and fees deduction. As a result, the deduction and the related Oregon subtraction may not be available for tax years beginning January 1, 2017. See page 16 and the instructions for Schedule OR-ASC-NP for additional information.

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.

If you had a tax liability in 2016, you need to file a 2017 return to claim your surplus refund (kicker) credit, even if you don't meet the filing requirements below. See the instructions for Form OR-40-N, line 62 or Form OR-40-P, Line 61 to determine if you had a tax liability in 2016.

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	\$1,050*
Single	\$2,175
Married filing jointly	\$4,350
Married filing separately	
• If spouse claims standard deduction	\$2,175
• If spouse itemizes deductions	\$0
Head of household	\$3,500
Qualifying widow(er)	\$4,350

**The larger of \$1,050, 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?

Return processing times vary depending on many factors, including the complexity of the return and our verification processes.

Electronically filed returns are the most quickly received and usually process faster.

Paper returns must have all required Oregon schedules and a copy of your federal return included to ensure smooth processing.

Returns mailed closer to April 17, when the largest number of returns are received, can take longer to process.

Also, returns that require review can take additional time to process. Typical reasons for additional review include: incomplete documentation, identity verification, working family household and dependent care credit, etc.

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

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 aren't stated separately on your W-2, compute your Oregon source income using the formula for line 7S (page 14).

The following are also considered income from Oregon sources:

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

What income isn't 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.
- Oregon retirement income received while you were a nonresident unless you were domiciled in Oregon. For more information on this exclusion see Publication OR-17 or our website.
- Interstate transportation wages from an interstate railroad company, interstate motor carrier, air carrier, or interstate motor private carrier. You must be a nonresident and have regularly assigned duties in more than one state.
- 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 the "Income" section in Publication OR-17 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?

- **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 2017 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 2017. 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 maintained a permanent home outside Oregon the entire year; and
- You didn't keep a home in Oregon during any part of 2017; and
- You spent less than 31 days in Oregon during 2017.

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

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

What form do I use?

Use Form OR-40-N 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 are filing jointly and one (or both) of you is a nonresident; or
- You meet the military personnel nonresident requirements explained below; or
- You qualified as an Oregon resident living abroad for the entire year.

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

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

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

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

Form OR-40 is included in Publication OR-40-FY. Go to our website, www.oregon.gov/dor, or contact us to order it.

Military personnel

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

Residents (or Oregon-domiciled service members) stationed outside of Oregon. If you meet the requirements for special-case Oregon residents or Oregon residents living abroad, file Form OR-40-N. File Form OR-40 if you don't meet the listed requirements.

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

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

If you performed active service in Oregon after 2013, but had an address outside of Oregon in the DFAS payroll records during that time, file an amended return to claim a refund of the tax paid on your military pay and income from non-Oregon sources, along with a refund of any penalties and interest you paid on that tax. File an amended return using that year's nonresident form, and follow the instructions to claim the refund.

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 5. If a return is filed, check the "deceased" box next to that individual's name on the return. If you've been appointed personal representative or you filed a small estate affidavit, sign the return as "personal representative." Also have the spouse sign if it is a joint return. If there is no personal representative for a joint return, only the surviving spouse needs to sign.

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

When should I file my return?

The filing deadline for calendar year 2017 is **April 17, 2018**. If you can't pay all or a portion of your tax by the due date, it's important to file your return anyway to avoid a late-filing penalty.

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

What if I need more time to file?

If you received a federal extension to file, Oregon will allow the same extension. Be sure to check the "Extension filed" box on your Oregon return. **Don't** include a copy of your federal extension with your Oregon return. Keep it with your records.

An extension does not mean more time to pay.

You must pay all of the tax you expect to owe by April 17, 2018. If you don't pay all the tax due, you'll owe interest on any unpaid tax after April 17, 2018, until the date of your payment. The 2018 interest rate is 5 percent per year. If the tax isn't paid within 60 days of the date of our billing notice, the interest rate increases to 9 percent per year. You may also owe a late-payment penalty. If you can't pay all of the tax you expect to owe, pay what you can.

If you have a federal extension, or if you need an extension for Oregon only, send your payment by April 17, 2018, using Form OR-40-V. Mark the "Extension payment" box on the voucher if you're mailing your payment or paying in person. Select the "Estimated Payment" option if making your payment online. Also mark the "Extension filed" box **in the upper left corner of your return** (see page 10).

Penalties

You will owe a 5 percent late-payment penalty on any 2017 tax not paid by April 17, 2018, even if you receive an extension. See page 26.

Oregon doesn't allow an extension of time to pay even if the IRS is allowing an extension.

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

consecutive years by the due date of the third year, including extensions.

2018 estimated tax

Estimated tax is the amount of tax you expect to owe (after credits and Oregon tax withheld) when you file your 2018 Oregon individual income tax return.

Oregon estimated tax laws are not the same as federal estimated tax laws. For more information on how to figure your estimated payments for Oregon and how to obtain payment vouchers, refer to Publication OR-ESTIMATE.

Who must make estimated tax payments?

In most cases, people who **expect to owe \$1,000 or more** on their 2018 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:** As of January 1, 2018, single ticket winnings of \$1,500 or more are subject to Oregon withholding. Prior to this date, single ticket winnings of \$5,000 or more were subject to Oregon withholding.)
- You receive income such as pensions, interest, or dividends; Oregon tax isn't withheld; and you expect to owe tax of \$1,000 or more.
- You're a wage earner and expect to owe tax of \$1,000 or more on your 2018 return.

When do I pay?

Estimated tax due dates for 2018 taxes are April 16, 2018*; June 15, 2018; September 17, 2018; and January 15, 2019.

If paying with a check or money order, send your payment with Form OR-40-V and **check the "Estimated payment" box**. 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 27.

* *Send your 2018 estimated tax payment and Oregon Form OR-40-V in a separate envelope from your 2017 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 OR-40-N, line 68; or Form OR-40-P, line 67 instructions, see page 26.

What if I'm self-employed?

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

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

File an amended return. Use the appropriate form to change (amend) your return. Check the "Amended return" box on page 1 of the form. Complete the "Amended statement" on page 5 of the return, including the return line numbers and reason for each change. If your filing status has changed (for example, from single to head of household), explain why.

Be sure to include a copy of your federal or other state's original return **and** corrected return or audit report. If you're amending your Oregon return only, attach a federal original return without attaching a federal amended return.

Use the worksheet below to calculate your amended tax due or refund.

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

If you're amending because of a net operating loss (NOL), write the tax year the NOL was generated in the "Tax year the NOL was generated" box on page 1 of the return. Include an explanation and code cite on the "Amended statement" if the NOL carry back is greater than two years (see Publication OR-17 for further instructions).

If you are amending one tax year for NOLs that occurred over two or more years, file a separate amended return for each NOL year so that the correct NOL year is listed in the "tax year the NOL was generated" box. If you are

amending for an NOL and another issue not related to the NOL, file a separate amended return for the NOL.

If you're filing a protective claim, refer to Form OR-PCR.

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

For information about refunds from amended returns, please see page 27.

How long will it take to process my amended return?

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

Amended worksheet

Use the following worksheet to determine your additional refund or tax to pay on your amended Form OR-40-N or Form OR-40-P. Use this worksheet even if you originally filed using a different residency status. Keep this worksheet with your records.

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

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

1. Tax after standard and carryforward credits as amended (amended, Form OR-40-N, line 56; Form OR-40-P, line 55; or Form OR-40, line 31). 1. _____
2. Total payments and refundable credits as amended (amended, Form OR-40-N, line 64; Form OR-40-P, line 63; or Form OR-40, line 38). 2. _____
3. Subtract line 2 from line 1. If the answer is negative, put a negative number. 3. _____
4. Amounts already refunded to you for this period (original, Form OR-40-N, line 71; Form OR-40-P, line 70; or Form OR-40, line 45). If you didn't receive a refund, enter -0-. 4. _____
5. Add lines 3 and 4 and enter the amount here. If line 5 is less than -0-, go to line 6. If line 5 is more than -0-, skip to line 8. 5. _____

6. Amount you want to apply toward an open estimated tax account. Do not enter more than your refund amount listed on line 5. 6. _____

Example: if line 5 shows \$-500, you are able to apply up to \$500 to an open estimated tax account. If you want to apply \$400 to the open estimated tax account, enter \$400.

7. **Total refund** (line 5 plus line 6). Your refund will be shown as a negative number. 7. _____
8. **Penalty and interest as amended** (amended, Form OR-40-N, line 69; or Form OR-40-P, line 68). 8. _____
9. **Total amount to pay** (add lines 5 and 8). 9. _____

General instructions for Forms OR-40-N & OR-40-P

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. **Complete your federal return first. Do this even if you aren't required to file a federal form.** You must use the information from your federal return to complete your Oregon return. You must include a copy (front and back) of your federal Form 1040, 1040A, 1040EZ, 1040NR, or 1040NR-EZ with your Oregon return. If you are amending your Oregon return and also amended for federal purposes, include a copy of Form 1040X with your amended Oregon return.

If you don't provide a copy of your federal return, your Oregon subtractions, deductions, modifications, and credits may be adjusted or denied. **Don't** include any federal schedules. We may ask for copies of schedules or additional information later.

Oregon same-sex registered domestic partners (RDPs):

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

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

Step 2: Select the appropriate Oregon form

To decide whether to use Form OR-40-N or OR-40-P, see page 6.

Step 3: Fill out the Oregon form

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

Fiscal year filers

Write the end date of your fiscal year in the "Fiscal year ending" box in the upper left corner of the return.

Oregon resident

For part-year Oregon residents, enter the dates you were an Oregon resident during 2017. For example, "from 01/01/2017 to 04/15/2017," or "from 03/01/2017

to 12/31/2017." Leave blank if you were not an Oregon resident at any time during the year.

Check the boxes

Amended return

If you're amending your 2017 return, check the "Amended return" box on the return. See page 8 for further instructions.

Calculated using "as if" federal return

Check the box on the return if:

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

Short year tax election

If you're filing a short year return due to a **bankruptcy**, fill in the "Fiscal year ending" box and check the "Short year tax election" box on the return.

Extension filed

If you received a federal extension to file, or are filing an extension for Oregon only, check the box on the return. See page 7 for more information.

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

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

Military

Check the "Military" box on the return if you're a non-resident with military pay. See page 7.

Employment exception

Check the "Employment exception" box on the return if you're considered an Amtrak, waterway, air carrier,

or hydroelectric dam worker. See “What income isn’t included in Oregon sources” on page 6.

Name and address

Type or clearly print your and your spouse’s names, SSNs, and dates of birth. **Enter your spouse’s information even if you’re married filing separately.** Enter your **most current mailing address.** This is where we’ll send your refund (if applicable) or correspondence. Enter your current daytime phone number. If the taxpayer died in 2017 or 2018, check the “deceased” box next to their name.

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

If you’ve previously filed an Oregon return using a different tax identification number, and this is your first time using this SSN, check the “first time using this SSN” check box and write your former identification number in the “Amended” section on page 5 of the return. For example, follow these instructions if you have filed previous tax returns using an ITIN and this is your first year filing using your new SSN.

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

If you don’t have an ITIN, you need to request one from the IRS. If you applied for an ITIN, check the “Applied for ITIN” box and file your return by April 17, 2018. **Don’t** include your ITIN application (federal Form W-7) with your Oregon return. Keep it with your records. For Form W-7, go to the IRS website, www.irs.gov, or call the IRS toll-free at 1 (800) 829-1040. When the IRS issues you an ITIN, send a copy of your ITIN letter to us. **Refunds will not be issued without a valid SSN or ITIN.**

Date of birth. Enter the month, day, and year you and your spouse were born. For example, “09/01/1987.”

Filing status

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

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

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

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

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

How to file separate returns for Oregon

If you’re filing as “married filing separately for Oregon only,” fill in your spouse’s name, SSN, and date of birth. Report your own share of federal adjusted gross income (AGI) and deductions. Also, report your share of any Oregon additions or subtractions using this formula to determine your percentage:

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

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

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

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

For more information, go to our website and click on the link for “Individuals.”

Exemptions

6a & 6b **Yourself and spouse.** Check the “Regular” exemption box for yourself. If

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

Severely disabled. Did you or your spouse have a severe disability at the end of 2017? If so, you may claim an additional exemption. This is different from the disabled child exemption. You may qualify for and claim the severely disabled exemption even if someone else can claim you as a dependent. You'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're unable to earn a living due to a permanent condition or an impairment of indefinite duration.

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

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

Total exemptions for you and spouse. You will receive one exemption if you marked the "Regular" exemption box and no one else is able to claim you. If someone else may claim you, you aren't entitled to receive the "Regular" exemption.

You may also receive one exemption if you have a qualifying severe disability and marked the "Severely disabled" exemption box. You may receive this exemption for being severely disabled even if someone else can claim you.

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

6c All dependents. In the chart, enter your dependents' information in order from youngest to oldest. For each dependent, list the first name, last name, relationship code (using the table below), SSN, and date of birth. In most cases, you will list the same dependents you claimed on your federal return. Total the number of dependents claimed on line 6c.

If you have more than four dependents, mark the box and fill out Schedule OR-ADD-DEP with your

remaining dependents. Don't list the same dependents on your return and Schedule OR-ADD-DEP. Add Schedule OR-ADD-DEP, line 1 to the total on line 6c of Form OR-40-N or Form OR-40-P. Include Schedule OR-ADD-DEP with your return.

Relationship codes

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

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

- Your child (age 21 or younger) qualified as your dependent for 2017; **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, 2017 under the federal Individuals with Disabilities Education Act. Eligible disabilities include:
 - Intellectual disability.
 - Hearing impairment.
 - Visual impairment.
 - Deafblindness.
 - Communication disorder.
 - Emotional disturbance.
 - Orthopedic impairment.
 - Traumatic brain injury.
 - Autism spectrum disorder.
 - Specific learning disorder.

Each year, 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. Mark the "Check if child with qualifying disability" box next to each child with a qualifying

disability. Total the number of dependents with a qualifying disability on line 6d.

If you have more than four dependents, add the amount listed on Schedule OR-ADD-DEP, line 2 to line 6d of your return.

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

Forms OR-40-N and OR-40-P line instructions

Don't 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. If you don't round entries to the nearest dollar, there may be small variations in the totals we use.

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 (AGI) that Oregon taxes (column S).

You must include a copy (front and back) of your federal return with your Oregon return. This helps us verify your income and process your return faster. **If you don't include your federal return with your Oregon return, items claimed on your return may be adjusted or denied accordingly.**

Federal column (F) instructions, lines 7F–29F

The first column is called "Federal column (F)." For lines 7F–29F of the federal column, fill in the same amounts you reported on your federal return.

Line 29F, "Income after adjustments," must match your 2017 federal AGI from federal Form 1040, line 37; Form 1040A, line 21; Form 1040EZ, line 4; Form 1040X, line 1C; 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.

Oregon column (S) instructions, lines 7S–29S

The second column is called "Oregon column (S)." Use this column to list the amounts from the federal column that are taxed by Oregon.

Nonresidents. Oregon taxes only your income from **Oregon sources**. To determine your Oregon source income, see "What does income from Oregon sources include?" on page 5.

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 determine

your Oregon source income, see "What does income from Oregon sources include?" on page 5.

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

7S 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, request a signed statement from your employer verifying the number of days worked in Oregon and the total number of days worked everywhere. Keep this document and a statement explaining your calculations with your records. If your Oregon wages aren't stated separately on your W-2, compute your Oregon source income using the following formula:

$$\frac{\text{Days actually worked in Oregon}}{\text{Days actually worked everywhere}} \times \begin{array}{l} \text{Total} \\ \text{wages} \\ \text{(line 7F)} \end{array} = \begin{array}{l} \text{Oregon} \\ \text{wages} \\ \text{(line 7S)} \end{array}$$

Don't 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, don't use this formula; all your earnings are taxable and should be reported in the Oregon column.

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 OR-40-N, line 7F is \$50,000 and in the Oregon column, Form OR-40-N, line 7S is \$30,000.

Exceptions

Mark the "Employment exception" box on page one of the return if you're a:

- Nonresident with interstate transportation wages who qualifies for special treatment under the Amtrak Act. You should exclude this income from the Oregon column.
- Nonresident who works on the Bonneville, The Dalles, John Day, or McNary dams. You should exclude this income from the Oregon column.
- Nonresident who works as a crewmember or pilot on a vessel in interstate navigable waters. You should exclude this income from the Oregon column.
- Nonresident who works as a crewmember or pilot on aircraft in Oregon and at least one other state. You may be able to exclude this income from the Oregon column.

Visit our website for details about any of these exceptions.

Mark the "Military" box on page one of the return if you're a:

- Nonresident member of the U.S. Armed Forces stationed in Oregon. Military pay of a nonresident isn't Oregon source income. Don't report your military pay in the Oregon column on line 7S.
- Nonresident military spouse. Your wages are exempt from state tax if you're only in Oregon because your spouse is stationed here. Don't report your wages in the Oregon column on line 7S. File Form OR-40-N if you had non-wage Oregon income or to claim a refund of Oregon tax withheld from wages.

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.

8S 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.

9S 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.

10S State and local income tax refunds. If you received an income tax refund from another state or local government that is included in your federal income, and you deducted those taxes on a prior year's Oregon return, include the refund in your Oregon income. This refund is not taxable to Oregon if you did not deduct the taxes on an Oregon return.

Oregon does not tax Oregon state income tax refunds you received.

11S Alimony received. Fill in alimony you received for the part of the year you were an Oregon resident.

12S 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.

13S 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 filing separately).

14S 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.

15S 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, contact us.

16S Pensions and annuities. Enter the amount of taxable pensions and annuities (including federal pensions) you received while an Oregon resident. Don't 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 6.

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 Schedule OR-ASC-NP, section 3. If you need help, contact us.

17S Schedule E income. Determine the income from rents, royalties, partnerships, limited liability companies, real estate investment trusts (REITs), estates, trusts, etc. from federal Schedule E that 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, contact us.

18S 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.

19S Unemployment compensation and all other taxable income. Determine the amount of unemployment, lottery winnings, and any other taxable income from Oregon sources. Include on line 19S any severance pay received because of an Oregon job, 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, as 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, see Publication OR-17.

Adjustments

21S 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:

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

- **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 can't be more than the amount of compensation included in the Oregon column.

- **22S 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 are filing jointly and both of you and your spouse were eligible educators).
- **Student loan interest deduction** from federal Form 1040, line 33; or Form 1040A, line 18.

Use the following formula to calculate your deductions 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: This deduction was expired at the time this publication was printed. If Congress didn't reinstate this deduction, you aren't allowed a tuition and fees deduction for Oregon.*

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 weren't allowed a federal tuition and fees deduction because you claimed the federal credit, don't claim a deduction on line 22S. You may be entitled to a subtraction (code 308). See Schedule OR-ASC-NP instructions for more information.

Add the Oregon amounts for your educator expenses deduction, student loan interest deduction, and tuition and fees deduction. Enter the total on line 22S.

23S 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 while an Oregon resident.

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 **can't** 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 2017 to begin work in Washington. She paid her moving expenses in June 2017. While the expenses aren't related to Oregon employment, Camille can claim them in both columns because they were paid after she became an Oregon resident.

24S Deductions for self-employment tax. Use the following formula to determine the amount of your self-employment tax on earnings taxed by Oregon:

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

The Oregon deduction can't be more than the federal deduction.

25S 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 can't be more than your federal deduction.

26S Alimony paid. Determine if the alimony you paid to your former spouse 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:

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

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

27F/S Total adjustments from Schedule OR-ASC-NP. If you're reporting an adjustment, **you must include Schedule OR-ASC-NP with your return**, with the numeric code and amount of the adjustment you're reporting. Enter the total from Schedule OR-ASC-NP, section 1 on Form OR-40-N or OR-40-P, line 27.

For more information on how to claim an adjustment, refer to the instructions for Schedule OR-ASC-NP. For more information about specific adjustments, refer to Publication OR-17.

Additions

30F/S Total additions from Schedule OR-ASC-NP. If you're reporting an addition, **you must include Schedule OR-ASC-NP with your return**, with the numeric code and amount of the addition you're reporting. Enter the totals from Schedule OR-ASC-NP, section 2, on lines 30F and 30S of your return.

For more information on how to claim an addition, refer to the instructions for Schedule OR-ASC-NP. For more information about specific additions, refer to Publication OR-17.

Subtractions

32F Social Security and tier 1 Railroad Retirement Board benefits. Subtract Social Security and tier 1 Railroad Retirement Board benefits only if you

included them on line 7F or 19F. Refer to Publication OR-17 for additional information.

33F/S Total subtractions from Schedule OR-ASC-NP. Other subtractions not explained here are claimed on Schedule OR-ASC-NP. See the instructions for Schedule OR-ASC-NP or Publication OR-17 for a complete list of subtractions. **If you qualify for a subtraction claimed on Schedule OR-ASC-NP you must include the schedule with your return.** Enter the total from Schedule OR-ASC-NP, section 3, on lines 33F and 33S of your return.

For more information on how to claim a subtraction, refer to the instructions for Schedule OR-ASC-NP. For more information about specific subtractions, refer to Publication OR-17.

35 Oregon percentage. Divide the amount on line 34S by the amount on line 34F. Round the decimal to three places. Write the result as a percentage on line 35. **Don't fill in more than 100 percent or less than -0-.**

Examples

Line 34S	Line 34F	Oregon percentage Line 35
\$8,000 ÷ \$30,000 =		0.266666 Round to 0.267 (2 6 .7 %)
(\$1,000) ÷ \$15,000 =		-0- (0%) (_ _ 0 .0 %)
\$20,000 ÷ \$15,000 =		1.333 Limited to 1.000 (1 0 0 .0 %)

If the amount on line 34S is **greater than** the amount on line 34F, your Oregon percentage is 100 percent. This is true even when line 34F is a negative number.

Deductions and modifications

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

- If you claim itemized deductions, fill in lines 37–39.
- If you claim the standard deduction, fill in line 40 and, if applicable, lines 40a–40d.

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

37 Itemized deductions. You can claim your total itemized deductions after federal limitations shown on federal Schedule A, line 29. If you aren't filing Schedule A for federal or Oregon purposes, skip lines 37 through 39.

Are you filing separate returns for Oregon only? If so, determine your share of itemized deductions using the calculation listed on page 11 or you can separate each spouse's itemized deductions if you can clearly identify your own itemized deductions.

You can claim itemized deductions on your Oregon return even if you don't itemize on your federal return. **If you itemize for Oregon only,** fill out a federal Schedule A for Oregon purposes. Be sure to include your state taxes even when itemizing for Oregon only, then subtract your Oregon state income tax on line 38. Use your federal AGI to figure the Schedule A limitations. Remember to keep Schedule A with your tax records.

38 State income tax or sales tax claimed as an itemized deduction. Fill in the amount of Oregon state income tax or any state and local sales tax you claimed as an itemized deduction on federal Schedule A, line 5. Don't include local or county income tax amounts.

Are you claiming an Oregon credit for income taxes paid to another state and deducting the other state's taxes on Schedule A? If so, include the other state's 2017 net tax liability or the other state's 2017 tax claimed as an itemized deduction, whichever is less. For the credit instructions, see Publication OR-17.

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 Publication OR-17.

40 Standard deduction. Generally, your standard deduction is based on your filing status:

Single	\$2,175
Married filing jointly	\$4,350
Married filing separately	
• If spouse claims standard deduction	\$2,175
• If spouse claims itemized deductions	-0-
Head of household	\$3,500
Qualifying widow(er)	\$4,350

Standard deduction—Age 65 or older, or blind. Check the boxes on line 40 if you or your spouse were age 65 or older or were blind on December 31, 2017, as you're entitled to a larger standard deduction. If you or your spouse are permanently blind, you may also qualify for the severely disabled exemption credit; see page 12 for more information.

If you checked one or more of the boxes on line 40, multiply the number of boxes checked by:

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

Add this amount to the standard deduction for your filing status from above. Fill in the total on line 40.

Example. Joni and Mike are married. Joni is age 61 and Mike is age 67. Joni files the return as the primary taxpayer. She will mark the box stating that her spouse was 65 or older and will add an additional \$1,000 to her standard deduction. She will enter \$5,350 (\$4,350 + \$1,000) on line 40.

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 (see table); or
- \$1,050.

The limit applies if you can be claimed as a dependent on another person’s return even if the other person doesn’t actually claim you.

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

Standard deduction worksheet for single dependents

- | | |
|--|-----------------------|
| 1. Enter your earned income (see definition below). | 1. _____ |
| 2. Additional \$350. | 2. <u> \$350 </u> |
| 3. Add lines 1 and 2. | 3. _____ |
| 4. Minimum standard deduction. | 4. <u> \$1,050 </u> |
| 5. Enter the larger of line 3 or line 4. | 5. _____ |
| 6. Basic standard deduction for single. | 6. <u> \$2,175 </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 OR-40-N or Form OR-40-P, line 40. This is your standard deduction. | 10. _____ |

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

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

Standard deduction—Married filing separately. The standard deduction for married individuals filing separately is -0- if the other spouse itemizes. This applies even if your itemized deductions are less than the standard deduction amount.

42 2017 federal tax liability subtraction. Complete the following worksheet to determine your **federal tax liability** subtraction for 2017. 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 aren’t the same. **RDPs and those filing as “married filing separately for Oregon only,”** use amounts from your actual federal return(s), **not** your “as if” return.

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

- Need to file a 2017 amended return and you either filed an amended federal return or we corrected the federal tax subtraction on your original return; or
- Filed your federal return on Form 1040NR or 1040NREZ; or,
- Claimed recapture taxes on your federal return; or,
- Claimed first-time homebuyer credit recapture from Form 1040, line 60b.

If any of the above apply to you, refer to the worksheet in Publication OR-17 to calculate your federal tax subtraction.

- | | |
|--|----------|
| 1. Enter your federal tax liability from Form 1040, line 56; Form 1040A, line 37; or Form 1040EZ, line 10. | 1. _____ |
| 2. Enter your excess advance premium tax credit from Form 1040, line 46; or Form 1040A, line 29. | 2. _____ |
| 3. Subtract line 2 from line 1 (if less than zero, enter -0-). | 3. _____ |
| 4. Enter your additional tax on retirement plans from Form 1040, line 59. | 4. _____ |
| 5. Add lines 3 and 4. | 5. _____ |
| 6. Enter your American Opportunity credit from Form 1040, line 68; or Form 1040A, line 44. | 6. _____ |
| 7. Enter your total premium tax credit from Form 8962, line 24. | 7. _____ |

8. **Add** lines 6 and 7. 8. _____
9. **Subtract** line 8 from line 5 (if less than zero, enter -0-). 9. _____
10. Enter your maximum allowable tax liability subtraction from the table. Don't fill in less than zero or more than \$6,550 (\$3,275 if married filing separately). 10. _____
11. Enter the **smaller** of line 9 or line 10 here and on Form OR-40-N or Form OR-40-P, line 42. 11. _____

If your filing status is:	And your federal adjusted gross income is:		Then your maximum allowable tax liability subtraction is:
	At least—	But less than—	
Single	-0-	\$125,000	\$6,550
	\$125,000	\$130,000	\$5,200
	\$130,000	\$135,000	\$3,900
	\$135,000	\$140,000	\$2,600
	\$140,000	\$145,000	\$1,300
	\$145,000 or more		-0-
Married filing separately	-0-	\$125,000	\$3,275
	\$125,000	\$130,000	\$2,600
	\$130,000	\$135,000	\$1,950
	\$135,000	\$140,000	\$1,300
	\$140,000	\$145,000	\$650
Married filing jointly; or Head of household; or Qualifying widow(er)	-0-	\$250,000	\$6,550
	\$250,000	\$260,000	\$5,200
	\$260,000	\$270,000	\$3,900
	\$270,000	\$280,000	\$2,600
	\$280,000	\$290,000	\$1,300
	\$290,000 or more		-0-

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

- Self-employment tax.
- Social Security and Medicare tax on tips.
- Household employment taxes.
- Penalties, interest, or any shared responsibility payment required by the federal Affordable Care Act.

Are you amending your 2017 return? Usually you can't change your federal tax subtraction on your amended return. See Publication OR-17 for more information before making changes to this subtraction.

Federal tax from a prior year and foreign tax: Did you pay additional federal tax in 2017 because you were audited or filed an amended return? Did you pay taxes to a foreign country? If so, you may be able to claim a subtraction for the additional tax. Refer to Publication OR-17 for more information before making changes to this subtraction.

43 Total modifications from Schedule OR-ASC-NP. Modifications further adjust your Oregon taxable income. If you're reporting a modification, you must include Schedule OR-ASC-NP with your return, with the numeric code and amount of the modification you're reporting. Enter the total from Schedule OR-ASC-NP, section 4, on line 43 of your return.

For more information on how to claim a modification, refer to the instructions for Schedule OR-ASC-NP. For more information about specific modifications, refer to Publication OR-17.

Form OR-40-N 44

Deductions and modifications multiplied by the Oregon percentage (Form OR-40-N filers only). Nonresidents must complete the worksheet below to determine the amount of deductions and modifications you're entitled to claim.

1. Enter amount from Form OR-40-N, line 41. 1. _____
2. Enter amount from Form OR-40-N, line 42. 2. _____
3. Enter amount from Form OR-40-N, line 43. 3. _____
4. Add together amounts from lines 1, 2, and 3 above. Enter result here. 4. _____
5. Enter your Oregon percentage from Form OR-40-N, line 35, here. 5. _____
6. Multiply the amount from line 4 by the percentage on line 5. Enter result here and on Form OR-40-N, line 44. 6. _____

Form OR-40-N 45

Charitable art donation (Form OR-40-N filers only). Artists who make a charitable art donation may take a full deduction. Enter the amount on Form OR-40-N. Refer to Publication OR-17 for details.

Oregon tax

Form
OR-40-N 48

Form
OR-40-P 46

Tax from tax rate charts. Figure the tax on your taxable income, Form OR-40-N, line 47; or Form OR-40-P, line 45. Use the tax rate charts on the next page. Fill in your tax amount on Form OR-40-N, line 48; or Form OR-40-P, line 46. Double-check that the tax you entered is correct.

Example: A married couple's Oregon taxable income is \$30,000. They are filing jointly. They will use chart J for married filing jointly. They figure their tax like this:

	Chart J
Oregon taxable income	\$30,000
Subtract	– \$17,000
	\$13,000
Multiply by 9%	x 0.09
	\$1,170
Then add	+ \$1,054
Their Oregon tax is	<u>\$2,224</u>

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

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

If you use Form OR-FIA-40-N to calculate your tax, enter the tax amount from Form OR-FIA-40-N, line 19, on Form OR-40-N, line 48, and check box 48a.

If you use Form OR-FIA-40-P to calculate your tax, enter the tax amount from Form OR-FIA-40-P, line 18, on Form OR-40-P line 46, and check box 46a.

Don't include a copy of Form OR-FIA-40-N or Form OR-FIA-40-P with your Oregon return. Keep it with your records.

Farm asset capital gain method. Did you sell or exchange capital assets primarily used in farming because you were getting out of a farming business? Or, did you sell or exchange a farming business in which you held at least a 10 percent ownership interest? If so, you may be eligible for a reduced tax rate on the net

capital gain from the proceeds. Download Worksheet OR-FCG from our website or contact us to order it.

Use Worksheet OR-FCG to calculate tax on your net farm capital gain and your other Oregon income. **Don't** include a copy of Worksheet OR-FCG with your return. Keep it with your records.

Nonresidents. Enter the tax amount from Worksheet OR-FCG, line 7 on Form OR-40-N, line 48 and check box 48b.

Part-year residents. Enter the tax amount from Worksheet OR-FCG, line 8, on Form OR-40-P, line 46 and check box 46b.

Oregon pass-through entity (PTE) reduced tax rate. Did you report income for a PTE in which you materially participated? You may elect to use this reduced tax rate for qualifying income up to \$5 million. For the income to qualify for the reduced tax rate, it must be nonpassive income from a partnership or S corporation that employed at least one employee in Oregon for a total of at least 1,200 hours. See Schedule OR-PTE-NR or Schedule OR-PTE-PY to calculate your tax. Download the form from our website or contact us to order it.

Note: If you elect to use this reduced tax rate for qualifying income, the election is irrevocable. **You can't change the election after the filing of your original return.**

Nonresidents. Enter the tax amount from Schedule OR-PTE-NR, line 14a on Form OR-40-N, line 48 and check box 48c.

Part-year residents. Enter the tax amount from Schedule OR-PTE-PY, line 19a on Form OR-40-P, line 46 and line 47. Check box 46c.

You must include this form with your Oregon return or submit it at www.oregon.gov/dor; click the link for Revenue Online and log in or create an account.

Form
OR-40-N 49

Form
OR-40-P 48

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 using the same method as the federal amount. The interest rate for 2017 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—Nonrefundable

Form
OR-40-N **51**

Form
OR-40-P **50**

Exemption Credit. Complete the worksheet below to determine the amount of your exemption credit.

Exemption credit worksheet

1. If your federal AGI is \$100,000 or less and you filed as married filing separately or single; or if your federal AGI is \$200,000 or less and you filed as married filing jointly, head of household, or qualifying widow(er); enter the sum of "regular" exemption credits you claimed on lines 6a and 6b and dependents you claimed on line 6c. Don't include the additional "Severely disabled" and "Child with a qualifying disability" exemptions. If your federal AGI exceeds these thresholds, enter -0-. 1. _____
2. If your federal AGI is \$100,000 or less, enter the number of "Severely disabled" exemptions you claimed on lines 6a and 6b. If your federal AGI exceeds \$100,000, enter -0-. 2. _____
3. If your federal AGI is \$100,000 or less, enter the number of "child with a qualifying disability" exemptions you claimed on line 6d. If your federal AGI exceeds \$100,000, enter -0-. 3. _____
4. Add lines 1, 2, and 3. 4. _____

5. Multiply line 4 by \$197. 5. _____
6. Enter your Oregon percentage from Form OR-40-N or Form OR-40-P, line 35. 6. _____
7. Multiply line 5 by line 6. This is your exemption credit. Enter the result here and on Form OR-40-N, line 51; or Form OR-40-P, line 50. 7. _____

Form
OR-40-N **52**

Form
OR-40-P **51**

Total standard credits from Schedule OR-ASC-NP. Other credits not explained above are claimed on Schedule OR-ASC-NP. See the instructions for Schedule OR-ASC-NP or Publication OR-17 for a complete list of credits. **If you qualify for a credit claimed on Schedule OR-ASC-NP you must include the schedule with your return.** Enter your standard credits from Schedule OR-ASC-NP, section 5, on Form OR-40-N, line 52; or Form OR-40-P, line 51.

For more information on how to claim a standard credit, refer to the instructions for Schedule OR-ASC-NP. For more information about specific standard credits, refer to Publication OR-17.

Form
OR-40-N **55**

Form
OR-40-P **54**

Total carryforward credits from Schedule OR-ASC-NP. Carryforward credits are credits that can be claimed over several tax years if not used up in the first year. The credits are claimed on Schedule OR-ASC-NP. See the instructions for Schedule OR-ASC-NP or Publication OR-17 for a complete list of credits. **If you qualify for a carryforward credit, you must include Schedule OR-ASC-NP with your return.** Enter your total carryforward credits from Schedule OR-ASC-NP, section 6 on Form OR-40-N, line 55; or Form OR-40-P, line 54.

2017 Tax rate charts

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

If your taxable income is not over \$3,400..... your tax is 5% of taxable income
 If your taxable income is over \$3,400 but not over \$8,500..... your tax is \$170 plus 7% of excess over \$3,400
 If your taxable income is over \$8,500 but not over \$125,000..... your tax is \$527 plus 9% of excess over \$8,500
 If your taxable income is over \$125,000..... your tax is \$11,012 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 \$6,800..... your tax is 5% of taxable income
 If your taxable income is over \$6,800 but not over \$17,000..... your tax is \$340 plus 7% of excess over \$6,800
 If your taxable income is over \$17,000 but not over \$250,000..... your tax is \$1,054 plus 9% of excess over \$17,000
 If your taxable income is over \$250,000..... your tax is \$22,024 plus 9.9% of excess over \$250,000

For more information on how to claim a carryforward credit, refer to the instructions for Schedule OR-ASC-NP. For more information about specific carryforward credits, refer to Publication OR-17.

Tax payments and refundable credits

Form OR-40-N 57

Form OR-40-P 56

Oregon income tax withheld. Fill in the total Oregon tax withheld from your wages and other income shown on your Form(s) W-2, box 17, or on your Form(s) 1099. Don't use the FICA (Social Security) tax withheld. **Don't** use tax withheld from your wages by other states. **You must include a readable and unaltered copy** of your Form W-2 from each job and any Form(s) 1099 showing Oregon income tax withheld with your Oregon return.

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

If you file before February 1, 2018, we can accept only Form(s) W-2 or 1099 as proof.

Form OR-40-N 58

Form OR-40-P 57

Amount applied from your prior year's tax refund. Fill in the amount of any prior year refund you applied to your 2017 estimated tax. If we adjusted your applied refund, be sure to use the adjusted amount. If you need to verify your applied refund amount, go to www.oregon.gov/dor and click the link for Revenue Online and log in or create an account, or contact us.

Form OR-40-N 59

Form OR-40-P 58

Estimated tax payments for 2017. Fill in the total estimated tax payments you made before filing your 2017 Oregon return. These payments were due April 18, 2017; June 15, 2017; September 15, 2017; and January 15, 2018. Also include **all** payments you made up to the date you filed your original or amended return. Don't include the amount reported on Form OR-40-N, line 58; or Form OR-40-P, line 57. Go to www.oregon.gov/dor and click on Revenue Online and log in, or contact us to verify the amount of payments you made toward the 2017 tax period. Include any payments from real estate transactions.

Form OR-40-N 60

Form OR-40-P 59

Tax payments from a pass-through entity (PTE). If you're an owner in a PTE and you did not join in the filing of a composite return to report that income, enter the amount of tax payments made by the PTE on your behalf.

Form OR-40-N 61

Form OR-40-P 60

Earned income credit. You're allowed an Oregon earned income credit **only** if you qualify for the earned income credit on your federal return. You must prorate this credit based upon your Oregon percentage from Form OR-40-N or Form OR-40-P, line 35. **Note to RDPs:** Use your "as if" federal return to see if you qualify for the Oregon credit.

If your youngest dependent is age three or older on December 31, 2017, your Oregon credit is eight 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. If your youngest dependent is age two or younger on December 31, 2017, your Oregon credit is 11 percent of your federal credit. For example, if your federal credit is \$2,500, your Oregon credit is \$275 ($\$2,500 \times 0.11$) multiplied by your Oregon percentage.

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. If you have a child age two or younger as of December 31, 2017, multiply the amount on line 1 by 11 percent (0.11). Otherwise, multiply the amount on line 1 by eight percent (0.08). Enter the result here. 2. _____
3. Multiply line 2 by your Oregon percentage (Form OR-40-N or Form OR-40-P, line 35). Enter the result here and on Form OR-40-N, line 61; or Form OR-40-P, line 60. 3. _____

Form OR-40-N 62

Form OR-40-P 61

Oregon surplus credit (kicker). The Oregon surplus credit is a refundable credit claimed on your 2017

Oregon tax return. The credit is 5.6 percent of your 2016 Oregon tax liability (2016 Form OR-40-N, line 50 or Form OR-40-P, line 49) as adjusted or amended, reduced by any credit claimed for income taxes paid to another state (2016 Schedule OR-ASC-NP, Section 5, Code 802 and 815). The surplus credit percentage has been determined by the Oregon Department of Administrative Services in accordance with Oregon Revised Statute 291.349. In order to claim the Oregon surplus credit, you must file a 2017 return, even if you're not otherwise required to do so. You must have filed your 2016 Oregon return before you can claim a surplus credit on your 2017 Oregon return.

Amended returns. If your 2016 return is amended or adjusted after you claim your 2017 surplus credit, we will automatically adjust your 2017 surplus credit amount. You won't need to amend your 2017 return for this reason only. If your amended return reduces your 2016 tax liability, you may owe additional tax on your 2017 return if your kicker is reduced. This may cause additional interest or penalties to be charged on your 2017 return. You may review your account balance at www.oregon.gov/dor; click the link for Revenue Online.

Do you need help calculating your surplus credit? If you're filing your 2017 return using a similar filing status as your 2016 return (joint or non-joint), you may be able to determine your credit amount by visiting our website, www.oregon.gov/dor, and clicking on Revenue Online.

Special circumstances. If your marital filing status or spouse changed in 2017, you must complete the surplus credit worksheet using the following special instructions.

- **If your filing status changed from single, head of household, qualifying widow(er), or married/RDP filing separately in 2016 to married filing jointly in 2017,** the surplus credit allowed on the joint return is the combination of each individual's surplus credits as calculated based on the separate 2016 returns.

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

Example: Hudson and Olivia each filed their 2016 Oregon personal income tax returns using the single filing status. Hudson had a total personal income tax liability of \$8,000 (2016 Form OR-40-N, line 50 or Form OR-40-P, line 49) and a credit for income taxes paid to another state of \$500 (2016 Schedule OR-ASC-NP, Section 5, Code 802 and 815). Olivia had a total personal income tax liability of \$3,000 (2016 Form OR-40-N, line 50 or Form OR-40-P, line 49) and no credit for income taxes paid to another state. In 2017, Hudson and Olivia

marry. Hudson and Olivia file their 2017 Oregon personal income tax return jointly. They must calculate their surplus credits separately and report the sum on their return. The surplus credit is determined with a percentage of 5.6 percent. Hudson's surplus credit is \$420 $[(\$8,000 - \$500) \times 0.056]$ and Olivia's surplus credit is \$168 $(\$3,000 \times 0.056)$. The surplus credit for their 2017 joint Oregon personal income tax return is \$588.

- **If your filing status changed from married filing jointly in 2016 to single, head of household, or married filing separately in 2017,** the surplus credits claimed by each taxpayer on their 2017 separate returns are prorated based on each individual's percentage of the 2016 federal adjusted gross income (AGI).

Special instructions: Determine your percentage of the 2016 AGI (Form OR-40-N and Form OR-40-P, line 29F) by taking your income included in the AGI and dividing it by the total AGI. Enter this percentage as a decimal (for example, 50 percent is 0.5) on line 4 of the worksheet.

Example: Ella and Emerson are married and filed their 2016 Oregon personal income tax return using the married filing jointly filing status. Their total AGI is \$90,000 (2016 Form OR-40-N and Form OR-40-P, line 29F). Their total personal income tax liability is \$6,500 (2016 Form OR-40-N, line 50 or Form OR-40-P, line 49) and their credit for income taxes paid to another state is \$300 (2016 Schedule OR-ASC-NP, Section 5, Code 802 and 815). Ella's portion of the total AGI is \$40,000, or 44 percent $(\$40,000 \div \$90,000)$. Emerson's portion of the total AGI is \$50,000, or 56 percent $(\$50,000 \div \$90,000)$. In 2017, Ella and Emerson divorced and neither remarried during the year. The surplus credit is determined with a percentage of 5.6 percent. When Ella and Emerson file their separate 2017 Oregon personal income tax returns, they will calculate separate surplus credits based on their 2016 AGI percentages. Ella's surplus credit is \$153 $[(\$6,500 - \$300) \times 0.44 \times 0.056]$. Emerson's surplus credit is \$194 $[(\$6,500 - \$300) \times 0.56 \times 0.056]$.

- **If you filed married filing jointly in 2016 and filed married filing jointly in 2017, but with a different spouse,** the surplus credit allowed on the joint return with a new spouse is the combination of each individual's surplus credit prorated based on each taxpayer's portion of the 2016 AGI amounts.

Special instructions: To determine the correct surplus credit amount for the 2017 joint Oregon return, calculate each individual's surplus credit separately. Determine your percentage of the 2016 AGI (2016 Form OR-40-N and Form OR-40-P, line 29F) by following the instructions in the example above. Enter your AGI percentage as a decimal on line 4 of the worksheet. Once

the credits for both taxpayers have been calculated, add the amounts together.

Example: Cortney and Orlando were married in 2016 and filed their Oregon personal income tax return using the married filing jointly filing status. Their total AGI is \$80,000 (2016 Form OR-40-N and Form OR-40-P, line 29F). Their total personal income tax liability is \$7,500 (2016 Form OR-40-N, line 50 or Form OR-40-P, line 49). They don't have a credit for taxes paid to another state. Cortney's portion of the total AGI is \$48,000, or 60 percent ($\$48,000 \div \$80,000$). Orlando's portion of the total AGI is \$32,000, or 40 percent ($\$32,000 \div \$80,000$). In February of 2017, Cortney and Orlando finalized their divorce. Cortney married Justin in December of 2017. Justin filed his 2016 Oregon personal income tax return using the single filing status. His total personal income tax liability was \$2,000 (2016 Form OR-40-N, line 50 or Form OR-40-P, line 49) and his credit for taxes paid to another state is \$200. The surplus credit is determined with a percentage of 5.6 percent. When Cortney and Justin file their joint 2017 Oregon personal income tax return, they must each calculate their surplus credits separately and report the sum on their joint return. Cortney's surplus credit is \$252 ($\$7,500 \times 0.60 \times 0.056$). Justin's surplus credit is \$101 [$(\$2,000 - \$200) \times 0.056$]. They will then add their separate credits together for a total joint 2017 surplus credit of \$353. Orlando's surplus credit is \$168 ($\$7,500 \times 0.40 \times 0.056$).

- **Death of individual or spouse.** If an individual died during 2016 or 2017, the taxpayer's representative may file a return on his or her behalf to claim the surplus credit. If one of the two taxpayers on the 2016 jointly filed Oregon return dies, the surviving taxpayer may claim the full amount of the surplus credit.

Surplus credit worksheet

1. Tax before credits reported on your 2016 Oregon Form OR-40-N, line 50; Form OR-40-P, line 49; or Form OR-40, line 24. 1. _____
2. Credit for income taxes paid to another state reported as codes 802 and 815 on your 2016 Schedule OR-ASC, section 3 or Schedule OR-ASC-NP, Section 5. 2. _____
3. Total 2016 tax before credits and after income taxes paid to another state (subtract line 2 from line 1). If line 2 is more than line 1, enter -0-. 3. _____

4. Percentage of federal AGI (decimal value). Enter your portion of the AGI claimed on your 2016 return as a decimal. For example, 55 percent is 0.55. AGI can be found on your 2016 Oregon Form OR-40-N and Form OR-40-P, line 29F; or Form OR-40, line 7. 4. _____

If you did not file as married filing jointly in 2016 and changed to another filing status other than qualifying widow(er) in 2017, enter 1 (for 100 percent).

If you filed as married filing jointly in 2016 and changed to another filing status other than qualifying widow(er), or you are filing jointly in 2017 with a different person than in 2016, follow the examples above to determine your percentage of 2016 AGI.

5. Your share of total tax before credits and after income taxes paid to another state (multiply line 3 by line 4). Round to the nearest dollar. For example, \$101.49 is rounded to \$101. 5. _____
6. Oregon surplus credit percentage (decimal value). The 2017 Oregon surplus credit percentage is 5.6 percent. This amount has been filled in for you. 6. 0.056
7. **Surplus credit amount.** Multiply line 5 by line 6. Round to the nearest dollar. **This is your surplus credit amount.** 7. _____

Claiming your surplus credit. If you would like to claim your surplus credit, enter this amount on your 2017 Oregon Form OR-40-N, line 62 or Form OR-40-P, line 61. Enter -0- on Form OR-40-N, line 78 or Form OR-40-P, line 77 and don't mark the Form OR-40-N, box 78a or Form OR-40-P, box 77a.

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

If you would like to donate your **entire** surplus credit to the Oregon State School Fund, enter -0- on your 2017 Oregon Form OR-40-N, line 62 or Form OR-40-P, line 61. Check Form OR-40-N, box 78a or Form OR-40-P, box 77a and enter the surplus credit amount (from line 7 above) on Form OR-40-N, line 78b or Form OR-40-P, line 77b. Your refund will first offset to any amount owing on your original 2017 Oregon return and any other past due liabilities prior to being donated to the Oregon State School Fund. **Note: This election is irrevocable.**

If you would like to donate only a **portion** of your refund to the Oregon State School Fund, **don't** check Form OR-40-N, box 78a or Form OR-40-P, box 77a. Enter -0- on Form OR-40-N, line 78b or Form OR-40-P, line 77b. Follow the steps to claim your surplus refund above. You can then either send a check to the school district of your choice or to the Oregon State School Fund, which will be distributed to all school districts. The Oregon State School Fund's address is:

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



Total refundable credits from Schedule OR-ASC-NP.

Refundable credits are credits that are refunded if you don't have tax owing. The credits are claimed on Schedule OR-ASC-NP. See the instructions for Schedule OR-ASC-NP or Publication OR-17 for a complete list of credits. **If you qualify for a refundable credit, you must include Schedule OR-ASC-NP with your return.** Enter your total refundable credits from Schedule OR-ASC-NP, section 7, on Form OR-40-N, line 63; or Form OR-40-P, line 62.

For more information on how to claim a refundable credit, refer to the instructions for Schedule OR-ASC-NP. For more information about specific refundable credits, refer to Publication OR-17.

Penalties and interest



Penalty and interest for filing or paying late. Your tax is due **April 17, 2018**. Your return is also due April 17, 2018, unless you received an extension.

Penalty. Include a penalty payment if you:

- Mail your payment after April 17 (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 tax reported on Form OR-40-N, line 56 or Form OR-40-P, line 55 not paid by the original due date of the return.

If you file more than three months after the due date or after the extension due date, a 20 percent late-filing penalty will be added; that is, you will owe a total penalty of 25 percent of any unpaid tax.

Interest. If you're paying your tax after April 17, 2018, include interest on any unpaid tax. Interest owed on income tax starts the day after the original return's due date and accrues until the date of your payment.

The annual interest rate is 5 percent. Interest is charged daily starting the day after the due date. The daily rate is determined by dividing the annual rate by 365 days (0.0137).

Here's how to figure interest:

$$\text{Tax} \times 0.000137 \times \text{number of days}$$

If the tax isn't paid within 30 days from the date of our billing notice, the interest rate increases to 9 percent per year.

If you are amending your return, calculate the interest based on the additional amount of tax you must pay (line 9 of the amended worksheet on page 9).

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



Interest on underpayment of estimated tax. For 2017, you'll have an underpayment if you paid less than 90 percent of the tax due on **each** estimated tax payment due date or if your tax owed is more than \$1,000. **Note:** You may be charged interest on underpayment of estimated tax even if you receive a refund on your return.

Use Form OR-10 to determine if you have an underpayment. Download the form from our website or contact us to order it.

If you have an underpayment, fill in the amount of interest due from Form OR-10, line 34 on Form OR-40-N, line 68; or Form OR-40-P, line 67. You must include Form OR-10 with your Oregon return.

If you meet an exception described on Form OR-10, enter the exception number on Form OR-40-N, box 68a; or Form OR-40-P, box 67a, and don't include Form OR-10. If you used Worksheet OR-10-AI, check Form OR-40-N, box 68b; or Form OR-40-P, box 67b and keep the worksheet with your records.

Amount due



Amount you owe. You may pay with a check, money order, electronic payment, or credit card. If you file electronically, you may be able to pay electronically at

the time of filing. If the amount due is less than \$2, no payment is required.

Special instructions. Do you owe interest on Form OR-40-N, line 69; or Form OR-40-P, line 68 and have an overpayment on Form OR-40-N, line 65; or Form OR-40-P, line 64? If the interest you owe is more than your overpayment, you have an amount due. Subtract Form OR-40-N, line 65; or Form OR-40-P, line 64 from Form OR-40-N, line 69; or Form OR-40-P, line 68 and enter the result on Form OR-40-N, line 70; or Form OR-40-P, line 69.

Payment options

Electronic payment from your checking or savings account

You can pay your current year income taxes, 2018 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. Go to www.oregon.dor.gov/dor and click the link for Revenue Online.

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

Credit or debit card payments

You can also pay with your Discover, MasterCard, or Visa credit card. The service provider **will charge** you a convenience fee. The service provider will tell you what the fee is during the transaction; you will have the option to continue or cancel the transaction before entering your credit card information. If you complete the credit card transaction, you will receive a confirmation number. **Keep this confirmation number as proof of payment—don't send it with your return.**

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

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

Check or money order

- Make your check or money order payable to **"Oregon Department of Revenue."**
- If you are filing as a nonresident, write "2017 Oregon Form OR-40-N" and the last four digits of your social security number on your check. If you are filing as a part-year resident, write "2017 Oregon Form OR-40-P" and the last four digits of your social security number on your check.
- Use blue or black ballpoint ink. Don't use gel ink or the colors red or purple.

- Don't send cash or a postdated check.
- Include your payment and the Form OR-40-V payment voucher on page 43.

Payment plan. If you can't pay in full now, pay what you can. Use the payment voucher, Form OR-40-V, on page 43. Contact us and we will work with you to set up a payment plan for the amount you don't pay with your return.

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

Refund



Refund. You have three years from the due date of the return to file a claim for your refund. By law, we can't issue a refund if you file your return more than three years after the return's due date (excluding extensions).

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

Refund applications

If you have a refund on Form OR-40-N, line 71; or Form OR-40-P, line 70, you may apply part or all of it to an open estimated tax account, a charitable checkoff, or an Oregon 529 College Savings Plan. Doing so will reduce your net refund. The combination of these refund applications **can't** equal more than your total refund on Form OR-40-N, line 71; or Form OR-40-P, line 70.

Your refund may be applied to outstanding debt prior to being refunded to you or being applied to the elections on Form OR-40-N, lines 72–74; or Form OR-40-P, lines 71–73.

Instructions for amended returns. Complete the amended worksheet on page 9. If line 7 results in an additional refund, you are able to apply the additional amount to an open estimated tax account. However, you **can't** reduce the amounts from the refund from your original return that was previously applied to an open estimated tax account, a charitable checkoff, or an Oregon 529 College Savings Plan.

- If you aren't receiving an additional refund or if you are receiving an additional refund, and you don't want to apply the refund to an open estimated tax account, skip to Form OR-40-N, line 76; or Form OR-40-P, line 75. Enter the amount from Form OR-40-N, line 71; or Form OR-40-P, line 70 on Form OR-40-N, line 76; or Form OR-40-P, line 75.
- If you are receiving an additional refund that you want applied toward an open estimated tax account, follow the below instructions.

Form
OR-40-N 72

Form
OR-40-P 71

Open estimated tax account. You may apply part or all of your refund to an open estimated tax account. This will become an estimated tax payment. Generally, unless you're filing a delinquent or amended return, this will apply to the 2018 tax year. For additional information about the application of a refund as an estimated tax payment when filing a delinquent or amended return, see the "Payments and refunds" section of Publication OR-17. Fill in Form OR-40-N, line 72; or Form OR-40-P, line 71 with the amount you want to apply as an estimated tax payment.

Instructions for amended returns. If you're receiving an additional refund (listed on line 5 of the amended worksheet) and you want to have all or a portion of it applied toward an open estimated tax account, enter the additional amount you want applied. Include the amount from your original return's refund that applied to an open estimated tax account, if any. For additional information, please see Publication OR-17.

If you are not receiving an additional refund or if you do not want to have your additional refund applied to an open estimated tax account, leave this line blank.

Form
OR-40-N 73

Form
OR-40-P 72

Charitable checkoff. You can donate part or all of your refund to the charities listed on Schedule OR-DONATE. If you choose to donate to these charities, enter the amount you wish to donate to each charity in that charity's corresponding column. Total your charitable contributions on Schedule OR-DONATE and transfer this amount onto Form OR-40-N, line 73; or Form OR-40-P, line 72.

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

Form
OR-40-N 74

Form
OR-40-P 73

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.

Form
OR-40-N 76

Form
OR-40-P 75

Net refund. You must reduce your refund by any amounts applied to your open estimated tax account, charitable checkoff donations, and Oregon 529 College Savings Plan deposits. **By law, we can't issue a refund or make applications if you file your return more than three years after the return's due date (excluding extensions).**

Direct deposit

Form
OR-40-N 77

Form
OR-40-P 76

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

Oregon surplus credit donation

Form
OR-40-N 78

Form
OR-40-P 77

Oregon surplus credit (kicker) donation. You can elect to donate your Oregon surplus credit to the Oregon State School fund. To donate your surplus credit, see page 25 for more information.

Signature block

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

Minor child's return. If your child must file a tax return, you may sign the child's name as his or her legal agent. Sign the child's name, 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.

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

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

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

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

Before you file

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

1. Start with Form OR-40-N or Form OR-40-P.
2. If applicable, place these items in the following order behind your Form OR-40-N or Form OR-40-P:
 - Form(s) W-2 and any Form(s) 1099 showing Oregon tax withheld.
 - Schedule OR-ASC-NP.
 - Schedule OR-ADD-DEP.
 - Schedule OR-DONATE.
 - Schedule OR-529.
3. Copy (front and back) of your federal Form 1040, 1040A, 1040EZ, 1040X, 1040NR, or 1040NR-EZ. If

you're filing using an "as if" federal return, include the "as-if" return. Write "as if" **in blue or black ink on the top left corner of your "as if" return.** Also include copies of the federal returns you and your spouse actually filed.

4. If **applicable**, place these items in the following order behind the federal form:
 - Schedule WFHDC-NP.
 - Oregon Form OR-10.
 - Oregon Form OR-24.
 - Your RDP's Oregon return, if you're filing separately. Don't staple the returns together.
5. If you're amending your return, include a copy of your federal or other state's original and corrected return or audit report. If you are amending your Oregon return only, attach the federal or other state's original return without attaching the federal or other state's amended return.
6. Include your check or money order and completed Form OR-40-V payment voucher (page 43). If paying by electronic payment or credit card, don't use Form OR-40-V.

Be sure all five pages of your return are from the same form. For example, if you file Form OR-40-N, be sure that "2017 Form OR-40-N" is printed at the top each page.

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

Avoid processing delays

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

Include all pages of your Oregon return.

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

If you have tax to pay, read Form OR-40-N, line 70; or Form OR-40-P, line 69 instructions on page 26.

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

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

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

Include a copy of your federal return (front and back only) with your Oregon return. **Don't** include federal schedules.

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

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

Tax return mailing addresses

Mail refund returns or no-tax-due returns to:

REFUND
PO Box 14700
Salem OR 97309-0930

Mail tax-to-pay returns to:

Oregon Department of Revenue
PO Box 14555
Salem OR 97309-0940

2017 Form OR-40-N



Office use only	

Oregon Individual Income Tax Return for Nonresidents

Submit original form—do not submit photocopy

Fiscal year ending: <input type="text"/> / <input type="text"/> / <input type="text"/>	Space for 2-D barcode—do not write in box below
<input type="checkbox"/> Amended return. If amending for an NOL, tax year the NOL was generated: <input type="text"/> <input type="checkbox"/> Calculated using "as if" federal return. <input type="checkbox"/> Short year tax election. <input type="checkbox"/> Military. <input type="checkbox"/> Extension filed. <input type="checkbox"/> Employment exception. <input type="checkbox"/> Form OR-24.	

First name and initial	Last name	<input type="checkbox"/> Deceased	Social Security no. (SSN)	<input type="checkbox"/> First time using this SSN (see instructions)	<input type="checkbox"/> Applied for ITIN
Spouse's first name and initial	Spouse's last name	<input type="checkbox"/> Deceased	Spouse's SSN	<input type="checkbox"/> First time using this SSN (see instructions)	<input type="checkbox"/> Applied for ITIN
Current mailing address			Date of birth (mm/dd/yyyy)	Spouse's date of birth	
City	State	ZIP code	Country	Phone	

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

- Single.
- Married filing jointly.
- Married filing separately (enter spouse's information **above**).
- Head of household (with qualifying dependent).
- Qualifying widow(er) with dependent child.

Exemptions

6a. Credits for yourself: Regular Severely disabled 6a. Total

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

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

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

Dependents. List your dependents in order from youngest to oldest. If more than four, check this box and include Schedule OR-ADD-DEP with your return.

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

*Dependent relationship code—Please see instructions to determine the appropriate code.

6c. Total number of dependents 6c.

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

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

2017 Form OR-40-N



00541701020000

Name	SSN - -
------	------------

Income

	Federal column (F)		Oregon column (S)
7. Wages, salaries, and other pay for work. Include all Forms W-2	7F. .00	7S.	.00
8. Taxable interest income from federal Form 1040, line 8a.....	8F. .00	8S.	.00
9. Dividend income from federal Form 1040, line 9a.....	9F. .00	9S.	.00
10. State and local income tax refunds from federal Form 1040, line 10.....	10F. .00	10S.	.00
11. Alimony received from federal Form 1040, line 11.....	11F. .00	11S.	.00
12. Business income or loss from federal Form 1040, line 12.....	12F. .00	12S.	.00
13. Capital gain or loss from federal Form 1040, line 13.....	13F. .00	13S.	.00
14. Other gains or losses from federal Form 1040, line 14.....	14F. .00	14S.	.00
15. IRA distributions from federal Form 1040, line 15b.....	15F. .00	15S.	.00
16. Pensions and annuities from federal Form 1040, line 16b.....	16F. .00	16S.	.00
17. Schedule E income from federal Form 1040, line 17.....	17F. .00	17S.	.00
18. Farm income or loss from federal Form 1040, line 18.....	18F. .00	18S.	.00
19. Unemployment, Social Security benefits, and other income from federal Form 1040, lines 19 through 21.....	19F. .00	19S.	.00
20. Total income. Add lines 7 through 19.....	20F. .00	20S.	.00

Adjustments

21. IRA or SEP and SIMPLE contributions, federal Form 1040, lines 28 and 32.....	21F. .00	21S.	.00
22. Education deductions from federal Form 1040, lines 23, 33, and 34.....	22F. .00	22S.	.00
23. Moving expenses from federal Form 1040, line 26.....	23F. .00	23S.	.00
24. Deduction for self-employment tax from federal Form 1040, line 27.....	24F. .00	24S.	.00
25. Self-employed health insurance deduction from federal Form 1040, line 29.....	25F. .00	25S.	.00
26. Alimony paid from federal Form 1040, line 31a.....	26F. .00	26S.	.00
27. Total adjustments from Schedule OR-ASC-NP, section 1.....	27F. .00	27S.	.00
28. Total adjustments. Add lines 21 through 27.....	28F. .00	28S.	.00
29. Income after adjustments. Line 20 minus line 28.....	29F. .00	29S.	.00

Additions

30. Total additions from Schedule OR-ASC-NP, section 2.....	30F. .00	30S.	.00
31. Income after additions. Add lines 29 and 30.....	31F. .00	31S.	.00

Subtractions

32. Social Security and tier 1 Railroad Retirement Board benefits included on line 19F.....	32F. .00		
33. Total subtractions from Schedule OR-ASC-NP, section 3.....	33F. .00	33S.	.00
34. Income after subtractions. Line 31 minus lines 32 and 33.....	34F. .00	34S.	.00
35. Oregon percentage. Line 34S ÷ line 34F (not more than 100.0%).....	35. .		%

2017 Form OR-40-N



00541701030000

Name SSN

Deductions and modifications

Table with 4 columns: Line number, Description, Line number, Amount. Rows include: 36. Amount from line 34S, 37. Itemized deductions from federal Schedule A, 38. State income tax claimed as itemized deduction, 39. Net Oregon itemized deductions, 40. Standard deduction, 41. Enter the larger of line 39 or line 40, 42. 2017 federal tax liability, 43. Total modifications from Schedule OR-ASC-NP, 44. Deductions and modifications multiplied by the Oregon percentage, 45. Charitable art donation, 46. Total deductions and modifications, 47. Taxable income.

You were: 40a. [] 65 or older 40b. [] Blind Your spouse was: 40c. [] 65 or older 40d. [] Blind

Oregon tax

Table with 4 columns: Line number, Description, Line number, Amount. Rows include: 48. Tax, 49. Interest on certain installment sales, 50. Total tax before credits.

Standard and carryforward credits

Table with 4 columns: Line number, Description, Line number, Amount. Rows include: 51. Exemption credit, 52. Total standard credits from Schedule OR-ASC-NP, 53. Total standard credits, 54. Tax minus standard credits, 55. Total carryforward credits, 56. Tax after standard and carryforward credits.

Payments and refundable credits

Table with 4 columns: Line number, Description, Line number, Amount. Rows include: 57. Oregon income tax withheld, 58. Amount applied from your prior year's tax refund, 59. Estimated tax payments for 2017, 60. Tax payments from a pass-through entity, 61. Earned income credit, 62. Oregon surplus credit (kicker), 63. Total refundable credits from Schedule OR-ASC-NP, 64. Total payments and refundable credits.

2017 Form OR-40-N



00541701040000

Name	SSN - -
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Tax to pay or refund

65. Overpayment of tax. If line 56 is less than line 64, you overpaid. Line 64 minus line 56.....	65.	.00
66. Net tax. If line 56 is more than line 64, you have tax to pay. Line 56 minus line 64.....	66.	.00
67. Penalty and interest for filing or paying late. See instructions	67.	.00
68. Interest on underpayment of estimated tax. Include Form OR-10	68.	.00

Exception number from Form OR-10, line 1: 68a. Check box if you annualized: 68b.

69. Total penalty and interest due. Add lines 67 and 68	69.	.00
70. Net tax including penalty and interest. Line 66 plus line 69..... This is the amount you owe	70.	.00
71. Overpayment less penalty and interest. Line 65 minus line 69..... This is your refund	71.	.00
72. Estimated tax. Fill in the part of line 71 you want applied to your estimated tax	72.	.00
73. Total charitable checkoff donations from Schedule OR-DONATE, line 30	73.	.00
74. Total Oregon 529 College Savings Plan deposits from Schedule OR-529. See instructions.....	74.	.00
75. Total. Add lines 72 through 74. Total can't be more than your refund on line 71	75.	.00
76. Line 71 minus line 75. This is your net refund	76. Net refund	.00

Direct deposit

77. For direct deposit of your refund, see instructions. Check the box if this refund will go to an account outside the United States:

Type of account: Checking or Savings

Routing number:

Account number:

Surplus credit donation

78. Oregon surplus credit (kicker) donation. If you elect to donate your kicker to the State School Fund, check the box: 78a.

Write the amount from line 7 of the surplus credit worksheet here. **This election is irrevocable**..... 78b. .00

2017 Form OR-40-P

Page 1 of 5, 150-101-055 (Rev. 12-17) Oregon Department of Revenue



Office use only	

Oregon Individual Income Tax Return for Part-year Residents

Submit original form—do not submit photocopy

Fiscal year ending: <input type="text"/> / <input type="text"/> / <input type="text"/>	Oregon resident: From: <input type="text"/> / <input type="text"/> / <input type="text"/> To: <input type="text"/> / <input type="text"/> / <input type="text"/>	Space for 2-D barcode—do not write in box below
<input type="checkbox"/> Amended return. If amending for an NOL, tax year the NOL was generated: <input type="text"/>		
<input type="checkbox"/> Calculated using "as if" federal return.		
<input type="checkbox"/> Short year tax election.	<input type="checkbox"/> Military.	
<input type="checkbox"/> Extension filed.	<input type="checkbox"/> Employment exception.	
<input type="checkbox"/> Form OR-24.		

First name and initial	Last name	<input type="checkbox"/> Deceased	Social Security no. (SSN)	<input type="checkbox"/> First time using this SSN (see instructions)	<input type="checkbox"/> Applied for ITIN
Spouse's first name and initial	Spouse's last name	<input type="checkbox"/> Deceased	Spouse's SSN	<input type="checkbox"/> First time using this SSN (see instructions)	<input type="checkbox"/> Applied for ITIN
Current mailing address			Date of birth (mm/dd/yyyy)	Spouse's date of birth	
City	State	ZIP code	Country	Phone	
			(/ /)	-	

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

- Single.
- Married filing jointly.
- Married filing separately (enter spouse's information **above**).
- Head of household (with qualifying dependent).
- Qualifying widow(er) with dependent child.

Exemptions

6a. Credits for yourself: Regular Severely disabled 6a. Total

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

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

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

Dependents. List your dependents in order from youngest to oldest. If more than four, check this box and include Schedule OR-ADD-DEP with your return.

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

*Dependent relationship code—Please see instructions to determine the appropriate code.

6c. Total number of dependents 6c.

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

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

2017 Form OR-40-P



00611701020000

Name	SSN	
	- -	

Income

	Federal column (F)	Oregon column (S)
7. Wages, salaries, and other pay for work. Include all Forms W-2 7F.	.00	7S. .00
8. Taxable interest income from federal Form 1040, line 8a..... 8F.	.00	8S. .00
9. Dividend income from federal Form 1040, line 9a..... 9F.	.00	9S. .00
10. State and local income tax refunds from federal Form 1040, line 10..... 10F.	.00	10S. .00
11. Alimony received from federal Form 1040, line 11..... 11F.	.00	11S. .00
12. Business income or loss from federal Form 1040, line 12..... 12F.	.00	12S. .00
13. Capital gain or loss from federal Form 1040, line 13..... 13F.	.00	13S. .00
14. Other gains or losses from federal Form 1040, line 14..... 14F.	.00	14S. .00
15. IRA distributions from federal Form 1040, line 15b..... 15F.	.00	15S. .00
16. Pensions and annuities from federal Form 1040, line 16b..... 16F.	.00	16S. .00
17. Schedule E income from federal Form 1040, line 17..... 17F.	.00	17S. .00
18. Farm income or loss from federal Form 1040, line 18..... 18F.	.00	18S. .00
19. Unemployment, Social Security benefits, and other income from federal Form 1040, lines 19 through 21..... 19F.	.00	19S. .00
20. Total income. Add lines 7 through 19..... 20F.	.00	20S. .00

Adjustments

21. IRA or SEP and SIMPLE contributions, federal Form 1040, lines 28 and 32..... 21F.	.00	21S. .00
22. Education deductions from federal Form 1040, lines 23, 33, and 34..... 22F.	.00	22S. .00
23. Moving expenses from federal Form 1040, line 26..... 23F.	.00	23S. .00
24. Deduction for self-employment tax from federal Form 1040, line 27..... 24F.	.00	24S. .00
25. Self-employed health insurance deduction from federal Form 1040, line 29..... 25F.	.00	25S. .00
26. Alimony paid from federal Form 1040, line 31a..... 26F.	.00	26S. .00
27. Total adjustments from Schedule OR-ASC-NP, section 1..... 27F.	.00	27S. .00
28. Total adjustments. Add lines 21 through 27..... 28F.	.00	28S. .00
29. Income after adjustments. Line 20 minus line 28..... 29F.	.00	29S. .00

Additions

30. Total additions from Schedule OR-ASC-NP, section 2..... 30F.	.00	30S. .00
31. Income after additions. Add lines 29 and 30..... 31F.	.00	31S. .00

Subtractions

32. Social Security and tier 1 Railroad Retirement Board benefits included on line 19F..... 32F.	.00	
33. Total subtractions from Schedule OR-ASC-NP, section 3..... 33F.	.00	33S. .00
34. Income after subtractions. Line 31 minus lines 32 and 33..... 34F.	.00	34S. .00
35. Oregon percentage. Line 34S ÷ line 34F (not more than 100.0%)..... 35.	.	%

2017 Form OR-40-P



00611701030000

Name SSN

Deductions and modifications

Table with 3 columns: Line number, Description, Amount. Rows 36-40.

You were: 40a. [] 65 or older 40b. [] Blind Your spouse was: 40c. [] 65 or older 40d. [] Blind

Table with 3 columns: Line number, Description, Amount. Rows 41-45.

Oregon tax

Table with 3 columns: Line number, Description, Amount. Row 46.

46a. [] Form OR-FIA-40-P 46b. [] Worksheet OR-FCG 46c. [] Schedule OR-PTE-PY

Table with 3 columns: Line number, Description, Amount. Rows 47-49.

Standard and carryforward credits

Table with 3 columns: Line number, Description, Amount. Rows 50-55.

Payments and refundable credits

Table with 3 columns: Line number, Description, Amount. Rows 56-63.

2017 Form OR-40-P



00611701040000

Name	SSN
	- -

Tax to pay or refund

64. Overpayment of tax. If line 55 is less than line 63, you overpaid. Line 63 minus line 55.....	64.	.00
65. Net tax. If line 55 is more than line 63, you have tax to pay. Line 55 minus line 63.....	65.	.00
66. Penalty and interest for filing or paying late. See instructions	66.	.00
67. Interest on underpayment of estimated tax. Include Form OR-10	67.	.00

Exception number from Form OR-10, line 1: 67a. Check box if you annualized: 67b.

68. Total penalty and interest due. Add lines 66 and 67	68.	.00
69. Tax to pay including penalty and interest. Line 65 plus line 68..... This is the amount you owe	69.	.00
70. Overpayment less penalty and interest. Line 64 minus line 68..... This is your refund	70.	.00
71. Estimated tax. Fill in the part of line 70 you want applied to your estimated tax	71.	.00
72. Total charitable checkoff donations from Schedule OR-DONATE, line 30	72.	.00
73. Total Oregon 529 College Savings Plan deposits from Schedule OR-529. See instructions.....	73.	.00
74. Total. Add lines 71 through 73. Total can't be more than your refund on line 70.....	74.	.00
75. Line 70 minus line 74. This is your net refund	75. Net refund	.00

Direct deposit

76. For direct deposit of your refund, see instructions. Check the box if this refund will go to an account outside the United States:

Type of account: Checking or Savings

Routing number:

Account number:

Surplus credit donation

77. Oregon surplus credit (kicker) donation. If you elect to donate your kicker to the State School Fund, check the box: 77a.

Write the amount from line 7 of the surplus credit worksheet here. **This election is irrevocable**.....77b. .00

2017 Schedule OR-ASC-NP



Office use only

Oregon Adjustments for Form OR-40-N and Form OR-40-P Filers

Submit original form—do not submit photocopy.

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

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

- Adjustments. • Modifications. • Carryforward credits.
- Additions. • Standard credits. • Refundable credits.
- Subtractions.

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

For more information, refer to the instructions beginning on page 3.

Section 1: Adjustments (codes 002–006)

	Code	Amount in <i>federal</i> column		Amount in <i>Oregon</i> column
1a.	<input style="width: 40px; height: 20px;" type="text"/>	<input style="width: 100%; height: 20px;" type="text" value="0.00"/>	1c.	<input style="width: 100%; height: 20px;" type="text" value="0.00"/>
1d.	<input style="width: 40px; height: 20px;" type="text"/>	<input style="width: 100%; height: 20px;" type="text" value="0.00"/>	1f.	<input style="width: 100%; height: 20px;" type="text" value="0.00"/>
1g.	<input style="width: 40px; height: 20px;" type="text"/>	<input style="width: 100%; height: 20px;" type="text" value="0.00"/>	1i.	<input style="width: 100%; height: 20px;" type="text" value="0.00"/>
1j.	<input style="width: 40px; height: 20px;" type="text"/>	<input style="width: 100%; height: 20px;" type="text" value="0.00"/>	1l.	<input style="width: 100%; height: 20px;" type="text" value="0.00"/>
1m.	<input style="width: 40px; height: 20px;" type="text"/>	<input style="width: 100%; height: 20px;" type="text" value="0.00"/>	1o.	<input style="width: 100%; height: 20px;" type="text" value="0.00"/>
		<input style="width: 100%; height: 20px;" type="text" value="0.00"/>	27S.	<input style="width: 100%; height: 20px;" type="text" value="0.00"/>

Enter total on Form OR-40-N or OR-40-P, line 27F

Section 2: Additions (codes 102–164)

	Code	Amount in <i>federal</i> column		Amount in <i>Oregon</i> column
2a.	<input style="width: 40px; height: 20px;" type="text"/>	<input style="width: 100%; height: 20px;" type="text" value="0.00"/>	2c.	<input style="width: 100%; height: 20px;" type="text" value="0.00"/>
2d.	<input style="width: 40px; height: 20px;" type="text"/>	<input style="width: 100%; height: 20px;" type="text" value="0.00"/>	2f.	<input style="width: 100%; height: 20px;" type="text" value="0.00"/>
2g.	<input style="width: 40px; height: 20px;" type="text"/>	<input style="width: 100%; height: 20px;" type="text" value="0.00"/>	2i.	<input style="width: 100%; height: 20px;" type="text" value="0.00"/>
2j.	<input style="width: 40px; height: 20px;" type="text"/>	<input style="width: 100%; height: 20px;" type="text" value="0.00"/>	2l.	<input style="width: 100%; height: 20px;" type="text" value="0.00"/>
2m.	<input style="width: 40px; height: 20px;" type="text"/>	<input style="width: 100%; height: 20px;" type="text" value="0.00"/>	2o.	<input style="width: 100%; height: 20px;" type="text" value="0.00"/>
		<input style="width: 100%; height: 20px;" type="text" value="0.00"/>	30S.	<input style="width: 100%; height: 20px;" type="text" value="0.00"/>

Enter total on Form OR-40-N or OR-40-P, line 30F

Section 3: Subtractions (codes 300–360)

	Code	Amount in <i>federal</i> column		Amount in <i>Oregon</i> column
3a.	<input style="width: 40px; height: 20px;" type="text"/>	<input style="width: 100%; height: 20px;" type="text" value="0.00"/>	3c.	<input style="width: 100%; height: 20px;" type="text" value="0.00"/>
3d.	<input style="width: 40px; height: 20px;" type="text"/>	<input style="width: 100%; height: 20px;" type="text" value="0.00"/>	3f.	<input style="width: 100%; height: 20px;" type="text" value="0.00"/>
3g.	<input style="width: 40px; height: 20px;" type="text"/>	<input style="width: 100%; height: 20px;" type="text" value="0.00"/>	3i.	<input style="width: 100%; height: 20px;" type="text" value="0.00"/>
3j.	<input style="width: 40px; height: 20px;" type="text"/>	<input style="width: 100%; height: 20px;" type="text" value="0.00"/>	3l.	<input style="width: 100%; height: 20px;" type="text" value="0.00"/>
3m.	<input style="width: 40px; height: 20px;" type="text"/>	<input style="width: 100%; height: 20px;" type="text" value="0.00"/>	3o.	<input style="width: 100%; height: 20px;" type="text" value="0.00"/>
		<input style="width: 100%; height: 20px;" type="text" value="0.00"/>	33S.	<input style="width: 100%; height: 20px;" type="text" value="0.00"/>

Enter total on Form OR-40-N or OR-40-P, line 33F

2017 Schedule OR-ASC-NP



15631701020000

Name	SSN - -
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Section 4: Modifications (codes 600–651)

	<i>Code</i>		<i>Amount</i>
4a.	<input style="width: 40px; height: 20px;" type="text"/>	4b.	<input style="width: 100%; border-bottom: 1px solid black;" type="text" value=".00"/>
4c.	<input style="width: 40px; height: 20px;" type="text"/>	4d.	<input style="width: 100%; border-bottom: 1px solid black;" type="text" value=".00"/>
4e.	<input style="width: 40px; height: 20px;" type="text"/>	4f.	<input style="width: 100%; border-bottom: 1px solid black;" type="text" value=".00"/>
4g.	<input style="width: 40px; height: 20px;" type="text"/>	4h.	<input style="width: 100%; border-bottom: 1px solid black;" type="text" value=".00"/>
4i.	<input style="width: 40px; height: 20px;" type="text"/>	4j.	<input style="width: 100%; border-bottom: 1px solid black;" type="text" value=".00"/>
			<input style="width: 100%; border-bottom: 1px solid black;" type="text" value=".00"/>

Enter total on Form OR-40-N or OR-40-P, line 43

Section 5: Standard credits (codes 802–815)

	<i>Code</i>		<i>Amount</i>		
5a.	<input style="width: 40px; height: 20px;" type="text"/>	5b.	<input style="width: 100%; border-bottom: 1px solid black;" type="text" value=".00"/>	5c.	<input style="width: 40px; height: 20px;" type="text"/>
5d.	<input style="width: 40px; height: 20px;" type="text"/>	5e.	<input style="width: 100%; border-bottom: 1px solid black;" type="text" value=".00"/>	5f.	<input style="width: 40px; height: 20px;" type="text"/>
5g.	<input style="width: 40px; height: 20px;" type="text"/>	5h.	<input style="width: 100%; border-bottom: 1px solid black;" type="text" value=".00"/>	5i.	<input style="width: 40px; height: 20px;" type="text"/>
5j.	<input style="width: 40px; height: 20px;" type="text"/>	5k.	<input style="width: 100%; border-bottom: 1px solid black;" type="text" value=".00"/>	5l.	<input style="width: 40px; height: 20px;" type="text"/>
5m.	<input style="width: 40px; height: 20px;" type="text"/>	5n.	<input style="width: 100%; border-bottom: 1px solid black;" type="text" value=".00"/>	5o.	<input style="width: 40px; height: 20px;" type="text"/>
			<input style="width: 100%; border-bottom: 1px solid black;" type="text" value=".00"/>		

Enter total on Form OR-40-N, line 52; or OR-40-P, line 51

Section 6: Carryforward credits (codes 835–868)

	<i>Code</i>	<i>Amount from prior year</i>	<i>Amount awarded this year</i>	<i>Total used this year</i>			
6a.	<input style="width: 40px; height: 20px;" type="text"/>	6b.	<input style="width: 100%; border-bottom: 1px solid black;" type="text" value=".00"/>	6c.	<input style="width: 100%; border-bottom: 1px solid black;" type="text" value=".00"/>	6d.	<input style="width: 100%; border-bottom: 1px solid black;" type="text" value=".00"/>
6e.	<input style="width: 40px; height: 20px;" type="text"/>	6f.	<input style="width: 100%; border-bottom: 1px solid black;" type="text" value=".00"/>	6g.	<input style="width: 100%; border-bottom: 1px solid black;" type="text" value=".00"/>	6h.	<input style="width: 100%; border-bottom: 1px solid black;" type="text" value=".00"/>
6i.	<input style="width: 40px; height: 20px;" type="text"/>	6j.	<input style="width: 100%; border-bottom: 1px solid black;" type="text" value=".00"/>	6k.	<input style="width: 100%; border-bottom: 1px solid black;" type="text" value=".00"/>	6l.	<input style="width: 100%; border-bottom: 1px solid black;" type="text" value=".00"/>
6m.	<input style="width: 40px; height: 20px;" type="text"/>	6n.	<input style="width: 100%; border-bottom: 1px solid black;" type="text" value=".00"/>	6o.	<input style="width: 100%; border-bottom: 1px solid black;" type="text" value=".00"/>	6p.	<input style="width: 100%; border-bottom: 1px solid black;" type="text" value=".00"/>
6q.	<input style="width: 40px; height: 20px;" type="text"/>	6r.	<input style="width: 100%; border-bottom: 1px solid black;" type="text" value=".00"/>	6s.	<input style="width: 100%; border-bottom: 1px solid black;" type="text" value=".00"/>	6t.	<input style="width: 100%; border-bottom: 1px solid black;" type="text" value=".00"/>
							<input style="width: 100%; border-bottom: 1px solid black;" type="text" value=".00"/>

Enter total on Form OR-40-N, line 55; or OR-40-P, line 54

Section 7: Refundable credits (codes 890–895)

	<i>Code</i>		<i>Amount</i>
7a.	<input style="width: 40px; height: 20px;" type="text"/>	7b.	<input style="width: 100%; border-bottom: 1px solid black;" type="text" value=".00"/>
7c.	<input style="width: 40px; height: 20px;" type="text"/>	7d.	<input style="width: 100%; border-bottom: 1px solid black;" type="text" value=".00"/>
7e.	<input style="width: 40px; height: 20px;" type="text"/>	7f.	<input style="width: 100%; border-bottom: 1px solid black;" type="text" value=".00"/>
			<input style="width: 100%; border-bottom: 1px solid black;" type="text" value=".00"/>

Enter total on Form OR-40-N, line 63; or OR-40-P, line 62

New information

Forms and schedules. We have changed many of our forms and schedules to provide a more consistent format and to include a shorthand name so they're easier to find. Please read each form and publication carefully as other items may have changed. For more information, visit us at www.oregon.gov/dor.

Additions

- **ABLE (Achieving a Better Life Experience) accounts addition requirement.** Oregon requires an addition if contributions made to an ABLE account for the benefit of a person with a disability were subtracted from taxable income in an earlier year and withdrawn in a later year for an unqualified purpose. For more information about this addition, see Publication OR-17.
- **Charitable Donation add-back.** Charitable donations to organizations that fail to spend at least 30 percent of their annual functional expenses for program services are not deductible on your Oregon return. For more information, see Publication OR-17.

Subtractions

- **Special Oregon medical subtraction.** For tax year 2017, you or your spouse must be age 64 or older on December 31, 2017 to qualify for the subtraction.

Credits

- **Working family household and dependent care credit (WFHDC).** If you qualify for the WFHDC and you paid dependent care expenses in 2017 for services performed in 2016, complete Worksheet OR-WFHDC when claiming the credit. For more information see the instructions for Schedule OR-WFHDC-NP.
- **Credit for taxes paid to another state.** If you are a resident partner or shareholder who elected to be included in a pass-through entity's nonresident composite filing with another state, refer to Publication OR-17 for claiming a credit for income taxes paid to that state on your Oregon return.

Form instructions

If you have more items than will fit on a single schedule, provide the codes and amounts on additional schedules and add the total to your tax return. Include all the schedules with your Form OR-40-N or Form OR-40-P.

If you are claiming multiple items (adjustments, additions, subtractions, modifications, or credits) with the same code,

report the items together. Enter the code only once and add the claimed amounts together.

Round all cents to the nearest dollar. For example, \$99.49 becomes \$99.00, and \$99.50 becomes \$100.00.

A list of the codes can be found at the end of these instructions on Publication OR-CODES.

Section 1: Adjustments (codes 002–006)

Adjustments claimed on your federal Form 1040 reduce your federal taxable income. See below for information regarding commonly claimed adjustments. For detailed information regarding these and other adjustments, refer to Publication OR-17 at www.oregon.gov/dor/forms.

- Step 1: Complete the table in Section 1 with adjustments you claimed on the 1040 that aren't listed on Form OR-40-N or Form OR-40-P. Fill in the code and both the federal and Oregon amount reported for each adjustment. Each code should only be listed once.

The federal and Oregon amounts may be different. The Oregon column is for the time you were in Oregon or the income that is attributable to Oregon. The federal column shows the amount as if you were an Oregon resident all year.

- Step 2: Fill in the total of these adjustments to federal and Oregon income. Enter these totals on Form OR-40-N or Form OR-40-P, lines 27F and 27S.

Domestic production activities deduction from Form 1040, line 35 [code 006]. 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 Publication OR-17 for more information.

Section 2: Additions (codes 102–164)

Additions are items the federal government doesn't tax but Oregon does. For detailed information regarding additions, refer to Publication OR-17.

- Step 1: Complete the table in Section 2 with the code, the federal amount, and the Oregon amount reported for each addition. The federal and Oregon amount may be different. Each code should only be listed once.

- Step 2: Fill in the total of all additions to federal and Oregon income. Enter these totals on Form OR-40-N or Form OR-40-P, lines 30F and 30S.

Achieving a Better Life Experience (ABLE) Account [code 164]. If you withdrew funds from an Oregon ABLE account for a purpose other than paying for qualified disability expenses and the funds were previously subtracted on your

Oregon return, you must report an addition. Qualified disability expenses are defined in Section 529A of the Internal Revenue Code. For more information about Oregon ABLE accounts, see Publication OR-17.

Section 3: Subtractions (codes 300–360)

Subtractions are items the federal government taxes but Oregon doesn't. See below for information regarding commonly claimed subtractions. For detailed information regarding these and other subtractions, refer to Publication OR-17.

Step 1: Complete the table in Section 3 with the code and the federal and Oregon amounts reported for each subtraction that isn't listed on the return. The federal and Oregon amount may be different. You can't subtract something in the Oregon column unless it is included in your Oregon income. Generally, the subtraction in the Oregon column will be less than or equal to the subtraction in the federal column. Each code should only be listed once.

Step 2: Fill in the total of all subtractions to federal and Oregon income. Enter these totals on Form OR-40-N or Form OR-40-P, lines 33F and 33S.

Federal pension income [code 307]. You may be able to subtract some or all of your federal pension included in 2017 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: $0.4576 = 45.8$ percent). Once you determine the percentage, it will remain the same year to year.

For more than one pension, figure the percentage and subtraction amount separately for each pension. Add the separate amounts together to be reported on one line of Schedule OR-ASC-NP.

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

Federal column

1. Federal pension included in federal column, Form OR-40-N or Form OR-40-P, line 16F. 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 in the federal column of section 3, using code 307. 3. _____

Oregon column

4. Federal pension included in the Oregon column, Form OR-40-N or Form OR-40-P, line 16S. 4. _____
5. Percentage from line 2. 5. _____
6. Multiply line 4 by line 5. Enter here and in the Oregon column of section 3. 6. _____

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

- You file married filing separately;
- You can be claimed as a dependent by another person;
- Your federal modified adjusted gross income is more than \$80,000 (\$160,000 if married filing jointly); or
- You already subtracted these expenses as a tuition and fees deduction on line 34 of your federal return.

Federal column. In section 3 of Schedule OR-ASC-NP, 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 non-resident, 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.

Oregon income tax refund [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 10F of the federal column.

Oregon column. Enter your Oregon state income tax refund only if you included it on line 10S of the Oregon column.

Special Oregon medical subtraction [code 351]. If you or your spouse were age 64 or older on December 31, 2017 and have qualifying medical and/or dental expenses, you may qualify for the special Oregon medical subtraction. See the 2017 IRS Publication 502 for types of qualifying medical and dental expenses. You cannot subtract medical and dental expenses:

- For anyone under age 64;
- 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 single or married filing separately). Use the worksheet on page 6 to determine the amount of your subtraction.

Shared expenses. Did you have medical expenses or dental expenses for more than one person? If so, you must determine which expenses belong to each qualifying taxpayer. Start by totaling all expenses for each qualifying taxpayer. If you have expenses that are for more than one person, such as insurance premiums, split the expense by the most reasonable method. For example, two qualifying taxpayers filing jointly who paid \$4,000 in insurance premiums during the year would split the expenses in half, or \$2,000 each. For more information and examples on how to split shared expenses, refer to Publication OR-17.

Special Oregon medical subtraction worksheet instructions

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

Line 1: Medical and dental expenses for each taxpayer—If you were age 64 or older on December 31, 2017, enter your total qualifying medical and dental expenses. See “Shared expenses” for information about splitting expenses, such as insurance premiums. If your medical expenses were not included in your itemized deductions (federal 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 64 or older on December 31, 2017—**stop**—you don't qualify for the subtraction. Complete column B for your spouse to see if you can still qualify for the subtraction based on their expenses.

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

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

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

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

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

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

Line 8: Add the amounts from line 7 column (A) and column (B). This is your special Oregon medical subtraction. Enter this amount in both the federal and Oregon column of Section 3.

Special Oregon medical subtraction worksheet

	Column (A) You	Column (B) Spouse
1. Medical and dental expenses for each qualifying taxpayer.	1. _____	1. _____
2. Total medical and dental expenses (Schedule A, line 1).	2. _____	2. _____
3. Divide line 1 by line 2 and round to three decimal places.	3. _____	3. _____
4. Enter the lesser of the expenses claimed on line 1 of your Schedule A, or the amount on line 3 of your Schedule A.	4. _____	4. _____
5. Multiply line 3 by line 4 and round to whole dollars.	5. _____	5. _____
6. Maximum allowable medical subtraction from the table on the next page.	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. Enter this amount in both the federal and Oregon columns of Section 3.

4. Enter the lesser of the expenses claimed on line 1 of your Schedule A, or the amount on line 3 of your Schedule A. 4. \$5,500 4. \$5,500

5. Multiply line 3 by line 4 and round to whole dollars. 5. \$3,377 5. \$963

6. Maximum allowable medical subtraction from the table. 6. \$1,400 6. \$1,400

7. Enter the lesser of line 5 or line 6. 7. \$1,400 7. \$963

8. Add line 7, columns (A) and (B), and enter the total. This is your special Oregon medical subtraction. Enter this amount in both the federal and Oregon columns of Section 3. 8. \$2,363

If your filing status is:	And your federal adjusted gross income from Form OR-40-N or OR-40-P, line 29F is:		Then your maximum allowable medical subtraction per taxpayer meeting the age requirement is:
	At least—	But less than—	
Married filing jointly; or	-0-	\$50,000	\$1,800
Head of household; or	\$50,000	\$100,000	\$1,400
	\$100,000	\$200,001	\$1,000
Qualifying widow(er)	\$200,001 or more		-0-
Single; or	-0-	\$25,000	\$1,800
	\$25,000	\$50,000	\$1,400
Married filing separately	\$50,000	\$100,001	\$1,000
	\$100,001 or more		-0-

Example 1: Jerry and Claudia were ages 65 and 64 on December 31, 2017. They are filing a joint nonresident return with a federal adjusted gross income of \$55,000 and Oregon source income of \$40,000. They are itemizing deductions for Oregon. In 2017, they paid \$5,700 in medical expenses that they claimed on Schedule A. Of that, \$3,500 was for Jerry's expenses, \$1,000 for Claudia's expenses, and \$1,200 for Claudia's mother, who they claim as a dependent. Both Jerry's and Claudia's expenses qualify for the special Oregon medical subtraction. Since Claudia's mother is a dependent, her expenses don't qualify for the subtraction. Jerry and Claudia would determine their subtraction as follows.

Special Oregon medical subtraction worksheet

	Column (A) Jerry	Column (B) Claudia
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>

Section 4: Modifications (codes 600–651)

Modifications are items that further adjust your Oregon taxable income. For detailed information regarding modifications, refer to Publication OR-17.

Did you itemize 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 add backs for Oregon credits. The itemized deduction limit worksheet is available in Publication OR-17.

Step 1: Complete the table in Section 4 with modifications you're claiming that aren't listed on the return. Fill in the code and amount claimed for each modification. Modifications that are additions to income are reported by clearly placing a minus sign in front of the amount. Each code should only be listed once.

Step 2: Fill in the total of all modifications. Enter this number on Form OR-40-N or Form OR-40-P, line 43.

Section 5: Standard credits (codes 802–815)

Standard credits are nonrefundable credits that can only be claimed on the current year's tax return. Credit amounts awarded and not used in the current tax year will be lost. If you have both standard credits and carryforward credits, standard credits are used first. For detailed information regarding standard credits, refer to Publication OR-17.

Some Oregon credits must be multiplied by your Oregon percentage. These credits are signified with a "PR" on Publication OR-CODES. This means you need to multiply

your total credit by your Oregon percentage, line 35, to figure the amount you can claim on your Oregon return.

Step 1: Complete the table in Section 5 with credits you're claiming that have a code between 802–815. Fill in the code and the amount being claimed for each credit. Each code should only be listed once (unless you are claiming code 802 or 815 for credit for taxes paid to another state, for multiple states. These can be listed on separate lines). For prorated credits, first multiply the credit amount by the Oregon percentage (Form OR-40-N or Form OR-40-P, line 35) before filling in the amount.

Step 2: If you're claiming a credit for income taxes paid to another state on income that was also taxed by Oregon, use code 802 or 815 and enter that state's abbreviation in the corresponding box. If you aren't claiming this credit, leave this box blank.

Step 3: Fill in the total of all standard credits. Enter this amount on Form OR-40-N, line 52; or Form OR-40-P, line 51.

Section 6: Carryforward credits (codes 835–868)

Carryforward credits are nonrefundable credits for which any unused portion in the current tax year may be carried forward to the following tax year. The number of years that a credit can be carried forward varies according to the carryforward rules of that credit. For detailed information regarding carryforward credits, refer to Publication OR-17.

Some Oregon credits must be multiplied by your Oregon percentage. These prorated credits are signified with a "PR" in Publication OR-CODES. This means you need to multiply your total credit amount awarded this year by your Oregon percentage, Form OR-40-N or Form OR-40-P, line 35, to figure the amount you can claim on your Oregon return.

Step 1: Complete the table in section 6 for credits you're claiming that have a code between 835–868. Fill in the carryforward codes in the order that you would like to claim the credits (usually this will be by listing the credits with earlier carryforward expirations first).

If you received the same credit in back-to-back years, or more than once in the same year, don't list the same code twice within the table. Instead, report these credits on the same line (see Example 3). Each code should only be listed once.

List credits that are available to you even if you are not able to use them this year (see Example 4).

Step 2: Fill in the total amount of the credit that could not be used in 2016 that was carried forward to the current year (2017). Enter this amount into the "Amount from prior year" column, if any (see Example 3).

Step 3: Fill in the credit amount you earned in 2017, and enter it in the "Amount awarded this year" column, if any. For prorated credits, multiply the credit amount by your Oregon percentage (Form OR-40-N or Form OR-40-P, line 35) before entering it in the "amount awarded this year" column. Enter this amount, even if this is more than the amount that can be used this year.

If the total awarded amount of your credit can be claimed in one year, list the entire amount awarded (multiplied by your Oregon percentage, if applicable) in the "Amount awarded this year" column (see Example 2).

If the total awarded amount of your credit must be claimed over multiple years, list only the portion that is allowed to be claimed in tax year 2017 (multiplied by your Oregon percentage, if applicable) (see Example 5).

Step 4: Fill in the credit amount you're using this year. The "Total used this year" box can't be more than the combined total of the "Amount from prior year" and the "Amount awarded this year" boxes. This amount also can't be more than any credit limitation for that credit. Any excess credit not used in 2017 may be carried forward to the following tax year, if it doesn't expire according to the carryforward rules of the credit (see Example 6).

Step 5: Fill in the total of all carryforward credits being used. Enter this number on Form OR-40-N, line 55; or Form OR-40-P, line 54. The total of all carryforward credits can't be more than your tax reported on Form OR-40-N, line 54; or Form OR-40-P, line 53. If your carryforward credits are more than the tax reported on Form OR-40-N, line 54; or Form OR-40-P, line 53, you must reduce how much you are using on one or more of your carryforward credits. If you have more than one carryforward credit, consider using the maximum allowed on credits with earlier expirations first (see Example 6).

Example 2. In 2017, Neil and David received a \$25,000 credit for contributing to the Child Care Fund. For 2017, their tax reported on Form OR-40-N, line 54; or Form OR-40-P, line 53 is \$16,500. Here's how they will complete the table:

Code	Amount from prior year	Amount awarded this year	Total used this year
841	\$0.00	\$25,000.00	\$16,500.00
	.00	.00	.00
	.00	.00	.00

Neil and David will carry forward \$8,500 (\$25,000–\$16,500) to tax year 2018.

Example 3. The same as example 2, except that Neil and David also contributed to the Child Care Fund in 2016. Their 2016 credit was \$10,000. They were able to use \$3,000

and carried forward \$7,000 to 2017. Here's how they will complete the table, reporting the 2016 and 2017 credits on the same line:

Code	Amount from prior year	Amount awarded this year	Total used this year
841	\$7,000.00	\$25,000.00	\$16,500.00
	.00	.00	.00
	.00	.00	.00

They will carry forward \$15,500 [(\$7,000+\$25,000)-\$16,500] to tax year 2018.

Example 4. Valerie and Tony received a \$6,000 credit for contributing to the University Venture Development Fund in 2017. Their 2017 Oregon percentage reported on Form OR-40-N or Form OR-40-P line 35 is 100 percent. Their 2017 tax reported on Form OR-40-N, line 54; or Form OR-40-P, line 53 is \$0.00. Here's how they will complete the table:

Code	Amount from prior year	Amount awarded this year	Total used this year
864	\$0.00	\$6,000.00	\$0.00
	.00	.00	.00
	.00	.00	.00

Example 5. Senait installed a solar heating system for her backyard swimming pool in 2017. She was awarded a \$6,000 residential energy tax credit. The provisions of this credit limit the amount that can be used each year to \$1,500 (along with any amount carried forward from the previous year). Senait may use \$1,500 in 2017; \$1,500 in 2018; \$1,500 in 2019; and \$1,500 in 2020, but each year's limit must be multiplied by her Oregon percentage. Her 2017 Oregon percentage reported on Form OR-40-N or Form OR-40-P, line 35 is 80 percent. Her 2017 tax reported on Form OR-40-N, line 54; or Form OR-40-P, line 53 is \$2,000. Here's how she will complete the table:

Code	Amount from prior year	Amount awarded this year	Total used this year
861	\$0.00	\$1,200.00	\$1,200.00
	.00	.00	.00
	.00	.00	.00

The \$1500 credit amount allowed for 2017 is reduced to \$1,200 after being multiplied by the Oregon percentage ($\$1,500 \times 0.80$). Senait will report \$1,200 in the "Amount awarded this year" column. Senait is able to use the entire \$1,200 and lists this amount in the "Total used this year" column. Senait is not able to carry forward the remaining \$300 ($\$1,500 - \$1,200$) to another tax year.

Example 6: Chad and Jolene have \$3,200 of unused child and dependent care credit originally awarded in 2015 that

can be claimed in 2017. They also qualified for a 2017 residential energy credit of \$2,500, of which they may use up to \$1,500 in 2017 and \$1,000 in 2018 (multiplied by their Oregon percentage each year). Their 2017 Oregon percentage reported on Form OR-40-N or Form OR-40-P, line 35 is 100 percent. Their 2017 tax reported on Form OR-40-N, line 54; or Form OR-40-P, line 53 is \$4,500.

Both of these credits have five-year carryforward provisions. Because the child and dependent care credit carryforward expires in 2020 before the residential energy credit carryforward expires (in 2022 for the \$1,500 that can be claimed in 2017 and 2023 for the \$1,000 that can be claimed in 2018), they will use all of the \$3,200 child and dependent care credit first. Chad and Jolene will also use \$1,300 of their 2017 residential energy credit. Here's how they will complete the table:

Code	Amount from prior year	Amount awarded this year	Total used this year
840	\$3,200.00	\$0.00	\$3,200.00
861	\$0.00	\$1,500.00	\$1,300.00
	.00	.00	.00

Chad and Jolene are only able to use \$1,300 of the residential energy credit because their total amount used this year cannot equal more than their tax reported on Form OR-40-N, line 54; or Form OR-40-P, line 53 [$\$4,500 - (\$3,200 + \$1,300)$]. The remaining \$200 ($\$1,500 - \$1,300$) of the residential energy credit that cannot be used in 2017 will be carried forward to 2018.

Section 7: Refundable credits (codes 890–895)

Refundable credits can only be claimed on the current year's tax return; however any amount that is more than your tax will be refunded to you. For detailed information regarding refundable credits, refer to Publication OR-17.

Some Oregon credits on your return must be multiplied by your Oregon percentage. These credits are signified with a "PR" in Publication OR-CODES. This means you need to multiply your total credit by your Oregon percentage, line 35, to figure the amount you can claim on your Oregon return.

- Step 1: Complete the table in Section 7 with credits you're claiming that have a code between 890–895. Fill in the code and amount being claimed for each refundable credit. Each code should only be listed once. For prorated credits, first multiply the credit amount by the Oregon percentage (Form OR-40-N or Form OR-40-P, line 35).
- Step 2: Fill in the total of all refundable credits. Enter this amount on Form OR-40-N, line 63; or Form OR-40-P, line 62.



Publication OR-CODES

**Numeric Codes for Oregon
Adjustments, Additions, Subtractions, Modifications, and Credits**
Effective for tax year 2017

Numeric codes are required when you are claiming or reporting an adjustment, addition, subtraction, modification, or credit on Schedule OR-ASC or OR-ASC-NP. If you have multiple items that use the same code, other than a credit for income taxes paid to another state, add them together and enter the total as a single item. Include Schedule OR-ASC or OR-ASC-NP when you file your return.

Adjustments—Schedule OR-ASC-NP, Section 1 only.	OR-40	OR-40-N	OR-40-P	Code
Certain business expenses of reservists, performing artists, and fee-basis government officials—Form 1040, Line 24		X	X	002
Health savings account deduction – Form 1040, Line 25		X	X	003
Penalty on early withdrawal of savings—Form 1040, Line 30		X	X	004
Any other adjustments reported on Form 1040, Line 36, or Form 1040NR, Line 35		X	X	005
Domestic production activities deduction—Form 1040, Line 35, or Form 1040NR, Line 34		X	X	006

Additions—Schedule OR-ASC, Section 1 or OR-ASC-NP, Section 2.	OR-40	OR-40-N	OR-40-P	Code
Domestic production activities deduction	X	X	X	102
Claim of right income repayments	X			103
Disposition of inherited Oregon farmland or forestland	X	X	X	106
Federal election on interest and dividends of a minor child	X	X	X	107
Federal income tax refunds	X			109
Net operating loss—non-Oregon source	X	X	X	116
Oregon 529 College Savings Plan nonqualified withdrawal	X	X	X	117
Oregon deferral of reinvested capital gain	X	X	X	118
Partnership and S corporation modifications for Oregon	X	X	X	119
Business credit—unused	X	X	X	122
Federal subsidies for employer prescription drug plans	X	X	X	123
Federal law disconnect	X	X	X	131
Accumulation distribution from certain domestic trusts	X	X	X	132
Fiduciary adjustment from Oregon estates and trusts	X	X	X	133
Gambling losses claimed as an itemized deduction	X			134
Oregon-only Schedule A items	X			135
Refund of Oregon-only Schedule A items from a prior year	X			136
Individual Development Account nonqualified withdrawal	X	X	X	137
Oregon IDA Initiative Fund donation credit add-back	X			138
Lump-sum distribution from a qualified retirement plan	X	X	X	139
Passive foreign investment company income	X	X	X	140
Child Care Fund contributions	X			142
Oregon Production Investment Fund contributions	X			144
Renewable Energy Development Fund contributions	X			145
University Venture Development Fund contributions	X			146
Income taxes paid to another state	X	X	X	148
Basis of business assets transferred to Oregon	X	X	X	150
Depletion in excess of property basis	X	X	X	151

Additions—Schedule OR-ASC, Section 1 or OR-ASC-NP, Section 2. (Continued from page 1)	OR-40	OR-40-N	OR-40-P	Code
Depreciation difference for Oregon	X	X	X	152
Federal depreciation disconnect	X	X	X	153
Gain or loss on sale of depreciable property with different basis for Oregon	X	X	X	154
Passive activity losses	X	X	X	155
Suspended losses	X	X	X	156
Federal estate tax on income in respect of a decedent	X			157
Interest on state and local government bonds outside of Oregon	X	X	X	158
Federal subtraction for retirement savings rollover from Individual Development Account	X	X	X	159
Charitable donations not allowed for Oregon	X			160
WFHDC medical expenses	X			163
ABLE account nonqualified withdrawal	X	X	X	164

Subtractions—Schedule OR-ASC, Section 2 or OR-ASC-NP, Section 3.	OR-40	OR-40-N	OR-40-P	Code
American Indian	X	X	X	300
Artist's charitable contribution	X			301
Construction worker and logger commuting expenses	X	X	X	303
Federal gain previously taxed by Oregon	X	X	X	306
Federal pension income	X	X	X	307
Federal income tax from a prior year	X			309
Fiduciary adjustments from Oregon estates and trusts	X	X	X	310
Foreign tax	X			311
Individual Development Account contributions	X	X	X	314
Interest and dividends on U S bonds and notes	X	X	X	315
Land donation to educational institutions	X	X	X	316
Interest from state and local government bonds	X	X	X	317
Military active duty pay	X	X	X	319
Mortgage interest credit	X			320
Net operating loss	X	X	X	321
Oregon lottery winnings	X	X	X	322
Partnership and S corporation modifications for Oregon	X	X	X	323
Oregon 529 College Savings Plan deposit	X	X	X	324
Oregon income tax refund		X	X	325
Previously taxed employee retirement plans	X	X	X	327
Public Safety Memorial Fund award	X	X	X	329
Railroad Retirement Board benefits: tier 2, windfall/vested dual, supplemental, and railroad unemployment benefits	X	X	X	330
US government interest in IRA or Keogh distributions	X	X	X	331
Scholarship awards used for housing expenses	X	X	X	333
Legislative Assembly salary and expenses	X	X	X	335
Film production labor rebate—Greenlight Oregon Labor Rebate Fund	X	X	X	336
Mobile home park capital gain	X	X	X	338
Capital Construction Fund (CCF) contributions	X	X	X	339
Federal business and health coverage credits	X	X	X	340
Income on a composite return		X	X	341

Subtractions—Schedule OR-ASC, Section 2 or OR-ASC-NP, Section 3. (Continued from page 2)	OR-40	OR-40-N	OR-40-P	Code
Oregon Investment Advantage	X	X	X	342
Mobile home tenant payment	X	X	X	344
Taxable benefits for former RDPs	X	X	X	347
Previously-taxed IRA conversions	X	X	X	348
Discharge of indebtedness	X	X	X	350
Special Oregon medical	X	X	X	351
DISC dividend payments	X	X	X	352
Depreciation difference for Oregon	X	X	X	354
Gain or loss on sale of depreciable property with different basis for Oregon	X	X	X	355
Passive activity losses	X	X	X	356
Suspended losses	X	X	X	357
Basis of business assets transferred to Oregon	x	X	X	358
Marijuana business expenses not allowed on the federal return	X	X	X	359
ABLE account deposit	X	X	X	360

Modifications—Schedule OR-ASC-NP, Section 4 only.	OR-40	OR-40-N	OR-40-P	Code
Artist's charitable contribution			X	600
Federal income tax refunds		X	X	601
Federal tax from a prior year		X	X	602
Foreign tax		X	X	603
Gambling losses claimed as an itemized deduction +		X	X	604
Federal estate tax on income in respect of a decedent		X	X	605
Mortgage interest credit deduction		X	X	607
Federal business and health coverage credits		X	X	609
Child Care Fund contributions +		X	X	642
Oregon Production Investment Fund contributions +		X	X	644
Renewable Energy Development Fund contributions +		X	X	645
University Development Venture Fund contributions +		X	X	646
Oregon IDA Initiative Fund donation credit add-back +		X	X	648
Claim of right income repayment +		X	X	649
Charitable donations not allowed for Oregon		X	X	650
WFHDC medical expenses +		X	X	651

+ Must be entered as a negative number.

Standard credits—Schedule OR-ASC, Section 3 or OR-ASC-NP, Section 5.	OR-40	OR-40-N	OR-40-P	Code
Income taxes paid to another state	X	X	X	802
Mutually-taxed gain on the sale of residential property	X	X	X	806
Oregon Cultural Trust contributions	X	PR	PR	807
Oregon Veterans' Home physicians	X	PR	PR	808
Political contributions		X	X	809
Reservation enterprise zone	X	PR	PR	810
Retirement income	X	X	X	811
Rural emergency medical technicians	X	PR	PR	812
Rural health practitioners	X	PR	PR	813
Pass-through income taxes paid to another state	X	X	X	815

Carryforward credits—Schedule OR-ASC, Section 4 or OR-ASC-NP, Section 6.	OR-40	OR-40-N	OR-40-P	Code
Agriculture workforce housing	X	PR	PR	835
Biomass production/collection	X	PR	PR	838
Business energy carryforward	X	X	X	839
Child and dependent care carryforward	X	PR	PR	840
Child Care Fund contributions	X	X	X	841
Crop donation	X	PR	PR	843
Electronic commerce zone investment	X	PR	PR	845
Employer-provided dependent care assistance carryforward	X	X	PR	846
Employer scholarship	X	PR	PR	847
Energy conservation projects	X	X	X	849
Fish screening devices	X	PR	PR	850
Oregon IDA Initiative Fund donation	X	X	X	852
Oregon Low Income Community Jobs Initiative/New Markets	X	X	X	855
Oregon Production Investment Fund contributions	X	X	X	856
Pollution control facilities carryforward	X	X	X	857
Renewable Energy Development Fund contributions	X	X	X	859
Renewable energy resource equipment manufacturing facility carryforward	X	X	X	860
Residential energy	X	PR	PR	861
Transportation projects carryforward	X	X	X	863
University Venture Development Fund contributions	X	PR	PR	864
Alternative Fuel Vehicle Fund contributions carryforward	X	X	X	865
Reforestation of underproductive forestlands	X	X	X	867
Rural technology workforce development	X	PR	PR	868
Carryforward credits available only to S corporation shareholders.				
Agriculture workforce housing loans (S corporation)	X	X	X	836
Alternative qualified research activities (S corporation)	X	X	X	837
Contribution of computers or scientific equipment for research, carryforward only (S corporation)	X	X	X	842
Lender's credit: affordable housing (S corporation)	X	X	X	854
Lender's credit: energy conservation, carryforward only (S corporation)	X	X	X	848
Long-term rural enterprise zone facilities (S corporation)	X	X	X	853
Qualified research activities (S corporation)	X	X	X	858
Refundable credits—Schedule OR-ASC, Section 5 or OR-ASC-NP, Section 7.	OR-40	OR-40-N	OR-40-P	Code
Claim of right	X	PR	PR	890
Mobile home park closure	X	X	X	891
Working Family Household and Dependent Care (WFHDC)	X	PR	PR	895

PR indicates a credit that must be prorated.

2017 Schedule OR-529



Office use only

Oregon 529 College Savings Plan Direct Deposit for Personal Income Tax Filers

Submit original form—do not submit photocopy.

Form with fields for First name and initial, Last name, Social Security number (SSN), Spouse's first name and initial, Spouse's last name, Spouse's SSN.

Would you like to deposit all or a portion of your refund into an Oregon 529 College Savings Plan account? If so, follow the instructions below.

Requirements

- To make this choice, you must have an open Oregon 529 College Savings Plan account. For more information, see contact information below.
Deposits must be a minimum of \$25 per account.
If your refund is used to pay a debt you owe or the amount you elect to deposit exceeds your available refund, your deposit will be cancelled. Any remaining refund will be refunded by check or direct deposit.

Instructions

You may deposit all or a portion of your refund in up to four accounts. Complete all the fields below for each account.

- Select the account manager—Oregon College Savings Plan or MFS 529 Savings Plan;
Enter the four-digit portfolio number (for more information on portfolio options, contact your account manager);
Enter the nine- or ten-digit account number;
Enter the amount to be deposited into each account; and
Total the amounts to be deposited.

Form with 4 numbered sections for account selection, each with checkboxes for Oregon College Savings Plan or MFS 529 Savings Plan, and input fields for Portfolio no., Account no., and Amount \$.

Contact information

Oregon 529 College Savings Network
www.oregon529network.com
Phone: (503) 373-1903
Email: college.savings@ost.state.or.us

Oregon College Savings Plan
www.oregoncollegesavings.com
Phone: 1 (866) 772-8464

MFS 529 Savings Plan
www.mfs.com
Phone: 1 (866) 529-1637

— You must include this schedule with your Oregon income tax return to have your refund applied —

2017 Schedule OR-DONATE



Office use only

Oregon Charitable Checkoff Donations

Submit original form—do not submit photocopy.

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

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

If your refund is used to pay a debt you owe or the amount you elect to donate exceeds your available refund, your donation will be prorated based upon the amount of your available refund.

Organization name	Charity code number	Amount of refund donated
1. Cascade AIDS Project.....	28	1. .00
2. Veterans Suicide Prevention.....	23	2. .00
3. Oregon Nongame Wildlife.....	19	3. .00
4. Prevent Child Abuse.....	20	4. .00
5. Alzheimer's Disease Research.....	21	5. .00
6. Stop Domestic and Sexual Violence.....	22	6. .00
7. Habitat for Humanity.....	1	7. .00
8. Oregon Head Start Association.....	2	8. .00
9. American Diabetes Association.....	3	9. .00
10. SMART.....	5	10. .00
11. Oregon Coast Aquarium.....	4	11. .00
12. SOLVE.....	6	12. .00
13. The Nature Conservancy.....	8	13. .00
14. St. Vincent DePaul Society of Oregon.....	7	14. .00
15. Oregon Humane Society.....	10	15. .00
16. The Salvation Army.....	11	16. .00
17. Doernbecher Children's Hospital.....	9	17. .00
18. The Oregon Veterans' Home.....	12	18. .00
19. ALS Association.....	29	19. .00
20. Planned Parenthood of Oregon.....	13	20. .00
21. Oregon Lions Sight & Hearing Foundation.....	14	21. .00
22. Shriners Hospitals for Children.....	15	22. .00
23. Special Olympics Oregon.....	16	23. .00
24. Susan G. Komen.....	17	24. .00
25. Oregon Military Assistance Program.....	24	25. .00
26. Oregon Historical Society.....	18	26. .00
27. Oregon Food Bank.....	25	27. .00
28. Albertina Kerr Kid's Crisis Care.....	26	28. .00
29. American Red Cross.....	27	29. .00
30. Total charitable checkoff donations. Add lines 1 through 29.....		30. .00

Enter total on line 47 of Form OR-40; line 73 of Form OR-40-N; or line 72 of Form OR-40-P. This amount can't reduce your net refund below zero.

For more information about the charities listed above, visit www.oregon.gov/dor/programs/individuals/pages/charitable.aspx

