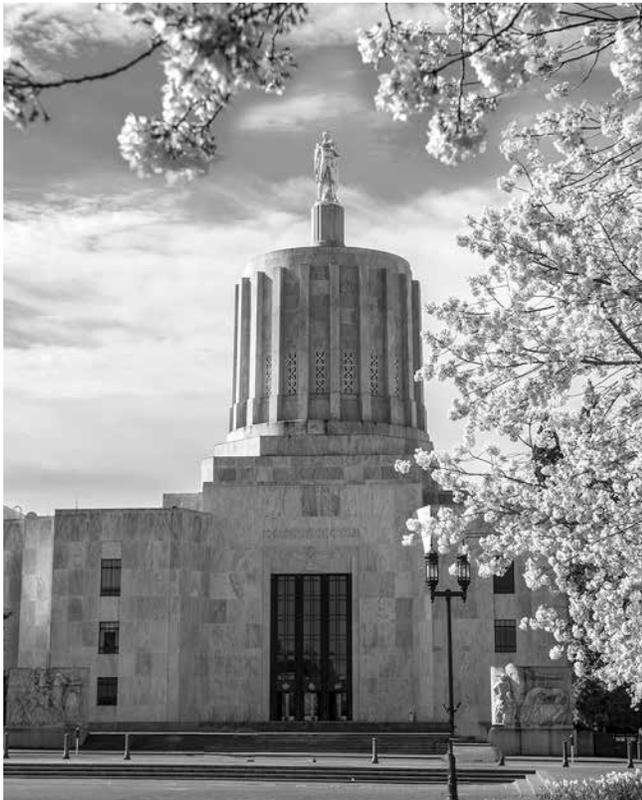


# 2018 Oregon Income Tax

## 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](http://www.oregon.gov/dor) and click on “Revenue Online” to sign up.

- **April 15, 2019** is the due date for filing your return and paying your tax due.
- **File electronically—it’s fast, easy, and secure.** See “Electronic filing.”
- **Find out if you qualify for the earned income credit.** See “Tax payments and refundable credits.”
- **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](http://www.oregon.gov/odva).
- These instructions aren’t a complete statement of laws or Oregon Department of Revenue rules. If you need more information, see Publication OR-17 or contact us.

[www.oregon.gov/dor](http://www.oregon.gov/dor)

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## Do you have questions or need help?

### Internet

[www.oregon.gov/dor](http://www.oregon.gov/dor)

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

### Revenue Online

[www.oregon.gov/dor](http://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.
- File an appeal.
- View letters and your Form 1099-G, if applicable.

### Phone

**(503) 378-4988 or (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

Offices are located in Salem, Portland, Eugene, Bend, Gresham, and Medford. Find hours and directions to our offices on our website.

**Our main office is located at:**

955 Center St NE  
Salem, OR 97301-2555

### Email or write

[questions.dor@oregon.gov](mailto:questions.dor@oregon.gov)

[preguntas.dor@oregon.gov](mailto: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

*Photo on cover: Oregon State Capitol in Salem, Oregon.*

# Electronic filing

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E-filing 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-filing uses secure technology to ensure the safety of your personal information when it's sent 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've already filed your federal return, you can still electronically file your Oregon return.

If you haven't tried e-file yet, why not this year? Join more than 1.7 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. Use online tax preparation software.**

You can file your federal and state returns from your home, work, or library computer using Oregon-approved online tax preparation products. Go to our website at [www.oregon.gov/dor/e-filing](http://www.oregon.gov/dor/e-filing) for a list of tax preparation products to use 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](http://www.oregon.gov/dor/e-filing).

## New information

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**Oregon Schedule OR-A.** Oregon now has its own form to report itemized deductions that aren't reported elsewhere on the return. Oregon's form is similar to the federal Schedule A, but was designed to meet the needs of Oregon taxpayers.

**Oregon qualified business income reduced tax rate.** Sole proprietorships may now qualify for this special tax rate for pass-through entities doing business in Oregon. See Schedule OR-PTE-NR or OR-PTE-PY.

**Federal tax liability subtraction.** The 2018 federal tax subtraction limit is \$6,650 (\$3,325 for married filing separately). It may be limited further based on your AGI. See the instructions for line 40.

**Oregon Form OR-W-4.** Due to changes to federal Forms W-4 and W-4P, Oregon will now have a separate withholding allowance certificate, Form OR-W-4, for state personal income tax withholding. Form OR-W-4 will help you more accurately determine how much to withhold for your state taxes from your wages or pension. For withholding information, go to [www.oregon.gov/dor/personal](http://www.oregon.gov/dor/personal).

**Statewide Transit Individual (STI) Tax.** The new STI tax will help fund public transportation services within Oregon. The tax is equal to one-tenth of one percent (0.001)—\$1 per \$1,000—of taxable wages. Taxable wages are those earned by an employee who is an Oregon resident, regardless of where the work is performed, or an employee who is a nonresident performing services in Oregon. If you work for a business located in Oregon, your employer will automatically

withhold the tax from your wages. If you're an Oregon resident and work for an employer located outside of Oregon, your employer isn't required to withhold the tax on your behalf, but may choose to do so voluntarily. If your out-of-state employer doesn't withhold the tax from your wages, you must file Form OR-STI, *Statewide Transit Individual Tax Return*, and pay the tax due by April 15, 2019. See the instructions for Form OR-STI.

**Federal Form 8886.** If you filed federal Form 8886, *Reportable Transaction Disclosure Statement*, check the box on the front page of the return.

**Federal disaster relief.** If you were affected by a presidentially-declared natural disaster, check the "Federal disaster relief" box on the return.

**College Opportunity Grant Tax Credit Auction.** There was a new tax credit auction in tax year 2018. If you made a contribution to the Oregon Opportunity Grant Fund through the tax credit auction, refer to Publication OR-17 for information on claiming this credit. If you claim this credit, you can't include the amount you paid as an itemized deduction on your Oregon return. See the instructions for Schedule OR-A.

**Market-based sourcing.** For tax years beginning on or after January 1, 2018, taxpayers doing business in Oregon or providing services to Oregonians must apportion their income from sales of services and intangible property according to market-based sourcing principles rather than cost of performance. See ORS 314.665, 314.666, and OAR 150-314-0435.

# Federal tax law

**No extension to pay.** Oregon doesn't allow an extension of time to pay your tax, even if the IRS allows an extension. Your 2018 Oregon tax is due **April 15, 2019**.

**Federal law connection.** Oregon has a rolling tie to changes made to the definition of federal taxable income, with some exceptions noted below. For all other purposes, Oregon is tied to federal income tax laws as amended and in effect on December 31, 2017.

**Oregon exception to federal law.** Oregon is disconnected from **IRC Section 139A**—the tax exemption for federal subsidies for employer prescription drug plans. If you have this type of business income, you'll have an addition on your Oregon return.

## Federal tax reform

Congress made changes to federal tax laws in the tax reform bill known as the "Tax Cuts and Jobs Act" in December 2017. Most of the changes for personal income taxpayers impact tax years 2018 through 2025. The federal changes listed below may also impact your Oregon return. See "New information" for additional changes that may impact your 2018 Oregon return.

**Standard deduction.** The federal standard deduction amount has increased for all filers. Because of this change:

- Some Oregon filers won't have a federal filing requirement, but they may still have an Oregon filing requirement. See "Should I file an Oregon return?" in the "General information" section.
- Some Oregon filers will claim itemized deductions for Oregon only. See the instructions for Schedule OR-A to itemize for Oregon.

**Personal exemption deduction.** This federal deduction from adjusted gross income (AGI) was suspended for tax years 2018 through 2025. Follow the instructions for line 6 to make sure you claim the correct number of exemptions for your Oregon return.

**Section 529 college savings plan funds used for K-12 expenses.** The federal tax exemption for earnings on 529 accounts expanded to include funds used for K-12 tuition. **Oregon is disconnected from this change.** If you withdrew funds from Oregon 529 accounts and you used these funds for K-12 tuition, you may have an addition on your Oregon return. See Publication OR-17.

**Achieving a Better Life Experience (ABLE) account contributions.** The beneficiary of an ABLE account may contribute their own wages to the account without regard to the federal limit on annual contributions.

**Rollovers from 529 savings plan accounts to ABLE accounts.** These rollovers are considered qualified withdrawals and don't require an Oregon addition. However, they don't qualify for the subtraction for contributions to an ABLE account if the funds were previously subtracted as a contribution to a 529 account. See Publication OR-17.

**Medical expense itemized deduction 7.5 percent AGI floor.** The AGI floor for the medical expense deduction was changed to 7.5 percent for the 2017 and 2018 tax years for all taxpayers.

**State and local tax itemized deduction.** There is now a \$10,000 limit on the combined total of state and local income and property taxes you can deduct on federal Schedule A. The limit is \$5,000 if your filing status is married filing separately. See the Schedule OR-A instructions.

**Casualty and theft loss itemized deduction.** This deduction is only allowed for casualty losses related to presidentially-declared disasters. Oregon follows all federal treatment for these disasters, including extensions of time to file returns and make estimated payments.

**Miscellaneous itemized deductions subject to 2 percent of the AGI limit.** These deductions are not allowed for tax years 2018 through 2025 and include:

- Employee business expenses.
- Tax preparation fees.
- Claim of right income repayments of \$3,000 or less.
- Certain investment expenses.

**Overall limit on itemized deductions.** The reduction of itemized deductions for taxpayers with an AGI above the limit has been suspended for tax years 2018 through 2025.

**Qualified business income deduction (QBID).** QBID is a federal deduction for certain sole proprietors and owners of pass-through entities. **Oregon is disconnected from this deduction.** However, Oregon has a reduced tax rate for qualifying businesses. See Publication OR-17.

**Net operating losses (NOLs).** NOLs, other than from farming, may no longer be carried back from loss years after 2017. NOLs from tax year 2018 or later may be carried forward indefinitely, but are limited to 80 percent of federal taxable income for the carryforward year. Farming NOLs may be carried back two years from loss years after 2017. See Publication OR-17.

**Alimony received or paid.** The change to how alimony is treated will impact tax years after 2018 and will be the same for your Oregon return. See Publication OR-17.

**Business expenses.** Changes to depreciation and other business expenses are the same for both your federal and Oregon returns. See the 2018 IRS Publication 535, *Business Expenses*.

**Moving expense deduction.** This deduction is only allowed for active-duty military personnel and their spouses who relocated due to a permanent change in duty station. See Publication OR-17.

**Like-kind (1031) exchanges.** This method of deferring gain on the exchange of business or investment property only applies to real property exchanges made in 2018 and later. Oregon Form OR-24 is only required when Oregon property is exchanged for out-of-state property. Beginning in 2018, you will only need to file Form OR-24 to report deferred gain from:

- Personal or real property exchanges for 2017 and earlier.
- Real property exchanges for 2018 and later.

**Repatriation of deferred foreign income.** This type of foreign income is taxed at a special federal rate. Oregon taxpayers with this type of income will have an addition on their 2018 return. See Publication OR-17.

**Global intangible low-taxed income (GILTI).** This is a type of foreign income received by shareholders of certain foreign corporations. See Publication OR-17.

**Repeal of the qualified production activities income (QPAI) deduction.** Oregon wasn't tied to this deduction, which required an adjustment for part-year residents and nonresidents. The adjustment on the Oregon return is no longer required.

**Partnership technical terminations.** Partnerships with a majority change in ownership will no longer need to report a technical termination or file an additional Oregon partnership return. See the instructions for Form OR-65.

## Important reminders

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**Revenue Online.** Revenue Online provides convenient, secure access to tools for managing your Oregon tax account. With Revenue Online, you can:

- Check the status of your refund.
- View and print letters from us.
- Make payments or schedule future payments.
- Securely communicate with us.
- Submit your requests (such as penalty waivers or appeals) or information we've requested from you.
- Check balances and view your account history.
- View your Form 1099-G, if applicable.

For more information and how to set up your Revenue Online account go to [www.oregon.gov/dor](http://www.oregon.gov/dor), and click on "Revenue Online."

**Federal return.** You must include a copy of your federal Form 1040 and Schedules 1 through 5 (if applicable), 1040X, 1040NR, or 1040NR-EZ with your Oregon return. Without this information, we may disallow or adjust items claimed on your Oregon return.

**Schedule OR-ASC-NP.** If you're claiming an addition, subtraction, or credit using a code listed in Publication OR-CODES, you must include Schedule OR-ASC-NP. Without this information, we may disallow or adjust your claim.

**Publication OR-17.** See Publication OR-17 for more information about filing and personal income tax laws. It is available at [www.oregon.gov/dor/forms](http://www.oregon.gov/dor/forms).

# General information

## Should I file an Oregon return?

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

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

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

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

**Nonresidents.** Oregon taxes only your income from Oregon sources.

**Nonresident trusts.** If you file federal Form 1040NR for a trust, you must file Oregon's Form OR-41, *Oregon Fiduciary Income Tax* return. Don't file an Oregon Form OR-40-N.

## 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	\$2,215
Married filing jointly	\$4,435
Married filing separately	
• If spouse claims standard deduction	\$2,215
• If spouse itemizes deductions	-0-
Head of household	\$3,570
Qualifying widow(er)	\$4,435

\*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 due to many factors, including the complexity of your return.

Electronically filed returns are generally received and processed faster.

Paper returns must have all required Oregon schedules, proof of tax withheld, and a copy of your federal

return included to ensure smooth processing. If you don't have a federal filing requirement, create a substitute return and check the "calculated using 'as-if' federal return" box on your return.

Returns mailed closer to April 15, when we receive the most returns, can take longer to process.

Also, returns that require additional review can take more time to process. Typical reasons for additional review include: incomplete documentation, identity verification needed, claiming the working family household and dependent care credit, proof of tax withheld, etc.

To check the status of your refund, click on "Where's my refund?" at [www.oregon.gov/dor/personal](http://www.oregon.gov/dor/personal).

## 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 Form W-2, compute your Oregon source income using the formula for line 7S.

### Other Oregon sources of income (and losses) include:

- Businesses, partnerships, limited liability companies taxed as partnerships, and S corporations located or doing business in Oregon or providing services to Oregonians.
- Unemployment compensation received because of an Oregon job.
- Severance pay received because of an Oregon job.
- Farms located in Oregon.
- Estates and trusts in Oregon or that have Oregon property or businesses.
- Oregon State Lottery.
- Sale of Oregon property.
- Rents and royalties for use of Oregon property.
- Community property. 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.
- Global Intangible Low-Taxed Income (GILTI) if you were an Oregon resident on the date you received it (actual or deemed); or if it's from property employed

in a business, trade, profession, or occupation carried on in Oregon while a nonresident.

**Income not considered from Oregon sources includes:**

- Interest and dividends. However, you must include them in Oregon income if they were:
  - 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.
- Oregon retirement income received while you were a nonresident unless you were domiciled in Oregon. See Publication OR-17.
- 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. See Publication OR-17.
- 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.
  - 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.
- Wages earned by a nonresident military spouse who is in Oregon only to be with the service member who is stationed here.

## Residency

**Am I a resident, a nonresident, or a 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.
  - Oregon is the center of your financial, social, and family life.
  - Oregon is the place you intend to return.
- **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 2018 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 2018. 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** of the following conditions, you're considered a nonresident for tax purposes:

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

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

**Oregon residents living abroad.** You're considered a nonresident if you're a qualified individual for purposes of the federal earned income exclusion or housing exclusion for United States residents living abroad.

## What form do I use?

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

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

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

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

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

- You're a full-year resident not filing a joint return; or
- You and your spouse are both full-year residents filing jointly.

Form OR-40 is included in Publication OR-40-FY. Download the publication from our website, [www.oregon.gov/dor/forms](http://www.oregon.gov/dor/forms) or contact us to order it.

## Military personnel

**Nonresidents stationed in Oregon.** Oregon doesn't 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 those 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 Publication OR-17.

Military personnel on active service in 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).

## Filing for a deceased person

You must file a personal income tax return for a person who died if the person would have been required to file. See the filing information in these instructions or Publication OR-40-FY, to determine if there is a filing requirement. Check the "deceased" box next to that individual's name on the return. If you have been appointed personal representative or you have filed a small estate affidavit, sign the return as "personal representative." Also have their spouse sign if it's a joint return. If there's no personal representative, only the surviving spouse needs to sign a joint return.

**Note:** Oregon has an estate transfer tax on estates valued at \$1 million or more. The tax is paid by the estate using Form OR-706, not by the individuals receiving the inheritance. For more information, see the instructions for Form OR-706.

## When should I file my return?

The filing deadline for calendar year 2018 is **April 15, 2019**. If you can't pay 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 their 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 doesn't mean more time to pay.

You must pay all of the tax you expect to owe by April 15, 2019, or you may owe a late-payment penalty. If you can't pay all of the tax you expect to owe, pay what you can. If you don't pay all of the tax due, you will owe interest on any unpaid tax starting after April 15, 2019 until the date of your payment plus penalty. The 2019 interest rate is 6 percent per year. If the tax isn't paid within 60 days of the date of our billing notice, the interest rate increases to 10 percent per year.

If you have a federal extension or need an extension for Oregon only, send your payment by April 15, 2019 using Form OR-40-V. Check 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 check the "Extension filed" box **on your return**.

## Penalties

You will owe a 5 percent late-payment penalty on any 2018 tax not paid by April 15, 2019, even if you filed an extension. See the instructions for Form OR-40-N, line 65 and Form OR-40-P, line 64.

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

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

## 2019 estimated tax

Estimated tax is the amount of tax you expect to owe (after credits and Oregon tax withheld) when you file your 2019 Oregon individual income tax return.

Oregon estimated tax laws are not the same as federal estimated tax laws. For more information on how to calculate your estimated payments for Oregon, see Publication OR-ESTIMATE. Vouchers for estimated payments are available at [www.oregon.gov/dor/forms](http://www.oregon.gov/dor/forms).

### Do I need to make estimated payments?

In most cases, people who **expect to owe \$1,000 or more** on their 2019 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 receive Oregon Lottery single ticket winnings of less than \$1,500.
- Oregon tax wasn't withheld from other types of income (such as pensions, interest, or dividends) 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 2019 return. You may want to increase the amount your employer withholds from your Oregon wages. For withholding information, go to [www.oregon.gov/dor/personal](http://www.oregon.gov/dor/personal).

### When do I pay?

Estimated tax due dates for 2019 taxes are:

- April 15, 2019\*.
- June 17, 2019.
- September 16, 2019.
- January 15, 2020.

If paying with a check or money order, send your payment with Form OR-40-V and **check the "Estimated payment" box**. You can find Form OR-40-V in this booklet or on our website. If you're paying by credit card or electronic payment from your checking or savings account, see "Payment options" with the instructions for Form OR-40-N, line 68 and Form OR-40-P, line 67

\* *Send your 2019 estimated tax payment and related Form OR-40-V in a separate envelope from your 2018 Oregon income tax return. This will help us apply your payment appropriately.*

## Interest on underpayment of estimated tax

You may owe interest for underpaying your estimated tax if:

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

See the instructions for Form OR-40-N, line 66 or Form OR-40-P, line 65.

## 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, contact us to order either form, or file them electronically through Revenue Online at [www.oregon.gov/dor](http://www.oregon.gov/dor).

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

File an amended return. Use the appropriate form to change (amend) your return and check the "Amended return" box on page 1 of the return. Complete the return as it should have been filed. In the "Amended statement" on page 5 of the return, include 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 the federal or other state's **corrected** return or audit report. If you're amending your Oregon return only, attach your original federal return.

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

If you're 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 our adjustments.

If you're amending because of a net operating loss (NOL), write the tax year the NOL was generated in the "If amending for an NOL, tax year the NOL was

generated” box on page 1 of the return. Include an explanation and federal code cite on the “Amended statement” for the NOL exception which allows you to carry back the NOL to a prior year. See Publication OR-17 for additional instructions.

If you’re amending one tax year for NOLs that occurred over two or more years, file a separate amended return for each NOL year so the correct NOL year is listed in the “tax year the NOL was generated” box. If you’re 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, use Form OR-PCR.

To amend a prior year’s return, visit our website or contact us for the prior year’s tax forms and instructions.

For information about refunds from amended returns, see the instructions for Form OR-40-N, line 69 and Form OR-40-P, line 68.

### 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 2018 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 amounts on your original 2018 return were adjusted, use the adjusted amounts.

1. Tax after standard and carryforward credits as amended (amended Form OR-40-N, line 54; or Form OR-40-P, line 53). 1. \_\_\_\_\_
2. Total payments and refundable credits as amended (amended Form OR-40-N, line 62; or Form OR-40-P, line 61). 2. \_\_\_\_\_
3. Line 1 minus line 2. If the result is negative, use a negative number. 3. \_\_\_\_\_
4. Amounts already refunded to you for this period (original Form OR-40-N, line 69; Form OR-40-P, line 68; or Form OR-40, line 43). 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. Enter the additional applied amounts from your amended return (the amounts that weren’t on your original return) on Form OR-40-N, lines 70-72, or Form OR-40-P, lines 69-71. This can’t be more than your refund amount listed on line 5.  
**Example:** If line 5 shows \$-500, you may apply up to \$500 of additional amounts on your amended return. 6. \_\_\_\_\_
7. **Total refund** (line 5 plus line 6). Your refund will be shown as a negative number. 7. \_\_\_\_\_
8. Penalty and interest as amended (amended 2018 Form OR-40-N, line 65; or Form OR-40-P, line 64). 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 return

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 return. 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 and Schedules 1 through 5 (if applicable), 1040NR, or 1040NR-EZ with your Oregon return. If you're amending your Oregon return and your federal return, include a copy of Form 1040X and an amended Form 1040 with Schedules 1 through 5 (if applicable).

If you don't provide a copy of your federal return, we may adjust or deny your Oregon subtractions, deductions, and credits. **Include** federal Schedules 1 through 5 (if applicable to your Form 1040); **don't include any other** federal schedules. We may ask you for copies of other schedules or additional information later.

**Oregon same-sex registered domestic partners (RDPs):** To correctly determine 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 your Oregon return.

For more information on how to file as an RDP, go to [www.oregon.gov/dor](http://www.oregon.gov/dor) and search for "RDP."

## Step 2: Select the appropriate Oregon return

To decide which form to use, see "What form do I use?" in the "General information" section.

## Step 3: Fill out the Oregon return

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

### Fiscal year filers

Write the ending date of your fiscal year in the "Fiscal year ending" box on the return.

### Oregon resident

For part-year Oregon residents, enter the dates you were an Oregon resident during 2018. For example,

"from 01/01/2018 to 04/15/2018," or "from 03/01/2018 to 12/31/2018." 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 2018 return, check this box. See "What if I need to change my return after filing?" in the "General information" section for instructions.

#### Calculated using "as if" federal return

Check this box if:

- You're filing as an Oregon RDP.
- You're filing as "married filing separately for Oregon only" with a different residency status than your spouse.
- You didn't 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 this box.

#### Extension filed

If you received a federal extension to file, or filed an extension for Oregon only, check this box. See "What if I need more time to file?" in the "General information" section for more information.

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

Check this box if you're deferring gain on like-kind property that was exchanged or converted. You'll 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 Revenue Online at [www.oregon.gov/dor](http://www.oregon.gov/dor). Go to "Submit documents" and select "Supporting documentation" in "Personal Income Tax." One of the options available will be "Form OR-24 Like-Kind Exchanges."

#### Military

Check this box if you're a nonresident with military pay. See "Military personnel."

## Federal disaster relief

If you're claiming a loss due to a presidentially-declared natural disaster, check this box.

## Federal Form 8886

Check this box if you filed federal Form 8886, *Reportable Transaction Disclosure Statement*.

## Employment exception

Check this box if you're considered an Amtrak, waterway, air carrier, or hydroelectric dam worker. See Publication OR-17 for more information.

## Name and address

Type or clearly print names, Social Security numbers (SSN), and dates of birth for you and your spouse. **Enter your spouse's information even if you're filing as married filing separately.** If you're filing for someone who died in 2018 or 2019, check the "Deceased" box next to their name.

Enter your **current mailing address**. This is where we'll send any refund or correspondence, if needed. Enter your current daytime phone number.

**Date of birth.** Enter the month, day, and year that you and your spouse were born. For example, "11/01/1978."

**SSN.** You must provide your SSN per Section 405, Title 42, of the United States Code. We will only use it to establish your identity for tax purposes.

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" box. Write your previous identification number in the "Amended statement" section on page 5 of the return. Follow these instructions if you've filed previous tax returns using an Individual taxpayer identification number (ITIN) and this is your first year filing using your new SSN.

**ITIN.** If the IRS issued you an ITIN because you don't qualify for an SSN, enter your ITIN wherever an SSN is requested.

If you don't have an ITIN, you need to request one from the IRS. If you've applied for an ITIN, check the "Applied for ITIN" box and file your return by April 15, 2019. **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](http://www.irs.gov), or call the IRS toll-free at (800) 829-1040. When the IRS issues you an ITIN, send a copy of your ITIN letter to us at PO Box 14999, Salem OR 97309-0990. **Refunds will not be issued without a valid SSN or ITIN.**

## 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 who filed a joint federal return when each person had 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.

## 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 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 forms with **both** Oregon returns:

- A federal Form 1040 and Schedules 1 through 5 (if applicable), 1040NR, or 1040NR-EZ prepared as if you had filed as married filing separately.

- A copy of the joint Form 1040 and Schedules 1 through 5 (if applicable), 1040NR, or 1040NR-EZ that you actually filed with the IRS.

If the federal form you filed is an amendment, include Form 1040X and federal returns as amended for your actual and “as if” returns.

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

For more information, see “Filing status” in Publication OR-17.

## 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. Check this box even if the other person doesn’t actually claim you as a dependent.

**Severely disabled.** Did you or your spouse have a severe disability at the end of 2018? If so, you can 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.
- You permanently lost the use of both hands.
- You’re permanently blind.
- 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.
- 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 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 checked the “Regular” exemption box and no one else can claim you. If someone else may claim you, you aren’t eligible for the “Regular” exemption.

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

**6c All dependents.** Enter your dependents’ information in order from youngest to oldest. For each dependent, list their first name, last name, relationship code (using the relationship code table), SSN, and date of birth. In most cases, you will list the same dependents you claimed on your federal return. However, if you have qualifying dependents who aren’t listed on your federal return, you may claim them for Oregon. Enter the total the number of dependents claimed on line 6c.

If you have more than four dependents, check 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 the total from Schedule OR-ADD-DEP, line 1 to the total on line 6c of your return. Include Schedule OR-ADD-DEP with your return.

### Relationship code table

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 2018.
- 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.

- Your child had an eligible disability as of December 31, 2018 under the federal Individuals with Disabilities Education Act. Eligible disabilities include:

- Autism spectrum disorder.
- Communication disorder.
- Deafblindness.
- Emotional disturbance.
- Hearing impairment.
- Intellectual disability.
- Orthopedic impairment.
- Other health impairment and developmental delay
- Specific learning disability.
- Traumatic brain injury.
- Visual impairment.

Each year, you must get a statement confirming that your child has been diagnosed with one of the

disabilities listed above **and** a cover sheet from one of the following:

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

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

If you have more than four dependents, add the total from 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 and \$99.50 becomes \$100. 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 show your federal adjusted gross income (AGI), additions, and subtractions. The columns compare your total (column F) to the portion 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.**

## 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. If you used federal Form 1040, these will be the amounts on lines 1 through 7 and federal Schedule 1, lines 10 through 36.

**Line 29F, "Income after adjustments," must match your 2018 federal AGI** from federal Form 1040, line 7; Form 1040X, line 1C; Form 1040NR, line 36; or Form 1040NR-EZ, line 10. If it doesn't 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?" in the "General information" section.

**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?" in the "General information" section.

**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 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 of your income included in the federal column.

**Nonresidents**—fill in the amount you earned while working in Oregon for each job. If that amount differs from the Oregon wages on your Form W-2, 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 Form 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>

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

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

Check the "Employment exception" box on page 1 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.

See Publication OR-17 for details about these exceptions.

Check the "Military" box on page 1 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. If you have another job, those wages are taxable to Oregon and must be included on line 7S. Only your military pay is exempt.
- 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 withholding form with your employer. Use Form OR-W-4 and follow the instructions to declare that you're exempt using the appropriate code and give the form to your employer.

**8S Taxable interest income.** Determine the amount of interest income on line 8F that you received from an Oregon business activity while you were a nonresident. Add any interest included on line 8F that you received during the part of the year you were an Oregon resident.

**9S Dividend income.** Determine the amount of dividends on line 9F that you 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 or providing services for Oregonians. These are dividends your S corporation or partnership received on the stock of another corporation. Add any dividend income included on line 9F 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 doesn't tax Oregon state income tax refunds you received, so don't include amounts received from Oregon on line 10S.

**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, pensions, and annuities.** Enter the amount of taxable individual retirement arrangement (IRA) distributions, pensions (including federal pensions), and annuities you received while an Oregon resident. Don't include any Railroad Retirement Benefits (RRB-1099-R).

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.

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.

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.** Include on line 19S:

- Unemployment compensation received from an Oregon job or while an Oregon resident,
- Oregon Lottery winnings (see additional information below),
- Other winnings received while an Oregon resident,
- Severance pay received from an Oregon job or while an Oregon resident, and
- Any other taxable income on line 19F from Oregon sources or received while an Oregon 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.

Include Global Intangible Low-Taxed Income (GILTI) if you were an Oregon resident on the date you received it (actual or deemed receipt) or if it's from property employed in a business, trade, profession, or occupation carried on in Oregon while a nonresident.

## 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:

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

- **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:

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

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, Schedule 1, line 23. For the part of the year you were a nonresident, determine the amount of qualified educator expenses you paid while working in or providing educator services to students in Oregon elementary or secondary schools. 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.

- **Student loan interest deduction** from federal Form 1040, Schedule 1, line 33.

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

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

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, Schedule 1, line 34.

**Update—As of December 2019, this deduction has been extended, retroactive to tax year 2018.**

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.

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.** Enter moving expenses in the Oregon column only if **all** of the following are true for you (or your spouse, if filing joint):

- You are on active duty in the United States Army, Navy, Air Force, Marines, or Coast Guard.
- Your expenses are deductible on your federal return because they are related to a permanent change of station (known as a PCS move).
- Your new duty station is in Oregon.
- You have taxable income from employment (military, civilian, or self-employment) performed in Oregon.

**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.** Enter the totals from Schedule OR-ASC-NP, section 1 on Form OR-40-N or OR-40-P, lines 27F and 27S.

For more information about adjustments, refer to the instructions for Schedule OR-ASC-NP or 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.** Enter the totals from Schedule OR-ASC-NP, section 2, on lines 30F and 30S of your return.

For more information about additions, refer to the instructions for Schedule OR-ASC-NP or Publication OR-17.

## Subtractions

**32F Social Security and tier 1 Railroad Retirement Board benefits.** Enter Social Security and tier 1 Railroad Retirement Board benefits you included on line 7F or 19F.

If you have tier 2, windfall/vested dual, or supplemental Railroad Retirement Board benefits, these are subtracted in section 3 of the Schedule OR-ASC-NP, using code 330. For more information, refer to Publication OR-17.

**33F/S Total subtractions from Schedule OR-ASC-NP.** Other subtractions not explained here are claimed on Schedule OR-ASC-NP. **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 about subtractions, refer to the instructions for Schedule OR-ASC-NP or 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-.**

If the amount on line 34S is **greater than** the amount on line 34F or if the amount on line 34S is positive but the amount on line 34F is zero or negative, your Oregon percentage is 100 percent. If both amounts are negative, treat both as if they're positive, and then:

- If the Oregon number is smaller than the federal number, your Oregon percentage is 100 percent.
- If the federal number is smaller than the Oregon number, divide the federal number by the Oregon number.

**Examples**

Line 34S	Line 34F	Oregon percentage line 35
\$8,000 ÷	\$30,000 =	0.266666 Round to 0.267 ( <u> 2 6 .7</u> % )
\$20,000 ÷	\$15,000 =	1.333 Limited to 1.000 ( <u> 1 0 0 .0</u> % )
-\$1,000 ÷	\$15,000 =	-0- (0%) ( <u> _ 0 .0</u> % )
\$1,000 ÷	-\$5,000 =	(100%) ( <u> 1 0 0 .0</u> % )
-\$2,000 ÷	-\$8,000 =	Oregon number smaller than 2,000 federal number ( <u> 1 0 0 .0</u> % )
-\$10,000 ÷	-\$6,000 =	Federal number smaller than Oregon number 6,000 / 10,000 = 0.6 ( <u> _ 6 0 .0</u> % )

**Deductions and modifications**

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

**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.** If you're itemizing your deductions for Oregon enter the amount from Schedule OR-A, line 23. **Note:** **Don't** enter your federal itemized deductions; the amount allowed for Oregon may be different.

If you're not itemizing, enter zero.

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

<b>Single</b>	\$2,215
<b>Married filing jointly</b>	\$4,435
<b>Married filing separately</b>	
• If spouse claims standard deduction	\$2,215
• If spouse claims itemized deductions	-0-
<b>Head of household</b>	\$3,570
<b>Qualifying widow(er)</b>	\$4,435

**Standard deduction—Age 65 or older, or blind.** Check the applicable boxes on line 38 if you or your spouse were age 65 or older or were blind on December 31, 2018, because 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; the instructions for lines 6a and 6b.

If you checked one or more of the boxes on line 38, 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 38.

**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 check the box stating that her spouse was 65 or older and will add an additional \$1,000 to her standard deduction. She will enter \$5,435 (\$4,435 + \$1,000) on line 38.

**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 standard deduction table above); or
- \$1,050.

This 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 and not married, use the following worksheet to figure your standard deduction. If you're a dependent and married, see Publication OR-17.

### Standard deduction worksheet for single dependents

1. Enter your earned income (see definition below). 1. \_\_\_\_\_
2. Additional \$350. 2. \$350
3. Add lines 1 and 2. 3. \_\_\_\_\_
4. Minimum standard deduction. 4. \$1,050
5. Enter the larger of line 3 or line 4. 5. \_\_\_\_\_
6. Basic standard deduction for single. 6. \$2,215
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 38. This is your standard deduction. 10. \_\_\_\_\_

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

**40 2018 federal tax liability subtraction.** Complete the following worksheet to determine your **federal tax liability** subtraction for 2018. Carefully follow the instructions. Don't confuse your **federal tax liability** on your federal return with the **federal tax withheld** on a Form 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:** Additional calculations are required if one of these situations applies:

- You need to file a 2018 amended return and you either filed an amended federal return or we corrected the federal tax subtraction on your original return.
- You filed your federal return on Form 1040NR or 1040NR-EZ.
- You claimed recapture taxes on your federal return.

- You claimed a first-time homebuyer credit recapture on Form 1040, Schedule 4, line 60b.

If any of these apply to you, refer to the worksheet in Publication OR-17 to calculate your federal tax subtraction. All others can use this worksheet.

1. Enter your federal tax liability from Form 1040, line 13. 1. \_\_\_\_\_
2. Enter your excess advance premium tax credit from Form 1040, Schedule 2, line 46. 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, Schedule 4, line 59. 4. \_\_\_\_\_
5. **Add** lines 3 and 4. 5. \_\_\_\_\_
6. Enter your American Opportunity credit from Form 1040, line 17c. 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 amount from the federal tax liability subtraction table on the next page. Don't fill in less than zero or more than \$6,650 (\$3,325 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 40. 11. \_\_\_\_\_

**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 or interest.

**Are you amending your 2018 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 2018 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. See Publication OR-17 for more information before calculating this subtraction.

**Federal tax liability subtraction**

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	\$6,650
	\$125,000	\$130,000	\$5,300
	\$130,000	\$135,000	\$4,000
	\$135,000	\$140,000	\$2,650
	\$140,000	\$145,000	\$1,300
	\$145,000 or more		-0-
Married filing separately	-0-	\$125,000	\$3,325
	\$125,000	\$130,000	\$2,650
	\$130,000	\$135,000	\$2,000
	\$135,000	\$140,000	\$1,325
	\$140,000	\$145,000	\$650
	\$145,000 or more		-0-
Married filing jointly; or	-0-	\$250,000	\$6,650
	\$250,000	\$260,000	\$5,300
Head of household; or	\$260,000	\$270,000	\$4,000
	\$270,000	\$280,000	\$2,650
Qualifying widow(er)	\$280,000	\$290,000	\$1,300
	\$290,000 or more		-0-

**41 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.** Enter the total from Schedule OR-ASC-NP, section 4, on line 41 of your return.

For more information about modifications, refer to the instructions for Schedule OR-ASC-NP or Publication OR-17.

**Form OR-40-N 42**

**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 they're entitled to claim.

1. Enter amount from Form OR-40-N, line 39. 1. \_\_\_\_\_
2. Enter amount from Form OR-40-N, line 40. 2. \_\_\_\_\_
3. Enter amount from Form OR-40-N, line 41. 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 42. 6. \_\_\_\_\_

**Form OR-40-N 43**

**Charitable art donation (Form OR-40-N filers only).** Artists who make a charitable art donation may take a full deduction. See Publication OR-17 to calculate this subtraction.

**Oregon tax**

**Form OR-40-N 46**

**Form OR-40-P 44**

**Tax from tax rate charts.** Figure the tax on your taxable income, Form OR-40-N, line 45; or Form OR-40-P, line 43. Use the tax rate charts and enter your tax amount on Form OR-40-N, line 46; or Form OR-40-P, line 44. 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:

		<b>Chart J</b>
Oregon taxable income		\$30,000
Subtract	-	<u>\$17,400</u>
		\$12,600
Multiply by 9%	x	<u>0.09</u>
		\$1,134
Then add	+	<u>\$1,080</u>
Their Oregon tax is		<u><u>\$2,214</u></u>

**Other tax methods.** If you qualify, you can compute your Oregon tax using any 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 Schedule OR-FIA-40-N or Schedule OR-FIA-40-P from our website or contact us to order it.

If you use Schedule OR-FIA-40-N to calculate your tax, enter the tax amount from Schedule OR-FIA-40-N, line 19, on Form OR-40-N, line 46, and check box 46a.

If you use Schedule OR-FIA-40-P to calculate your tax, enter the tax amount from Schedule OR-FIA-40-P, line 18, on Form OR-40-P line 44, and check box 44a.

Don't include a copy of Schedule OR-FIA-40-N or Schedule 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 46 and check box 46b.

*Part-year residents.* Enter the tax amount from Worksheet OR-FCG, line 8, on Form OR-40-P, line 44 and check box 44b.

**Oregon qualified business income reduced tax rate.** Did you have income from a sole proprietorship (which can now qualify), partnership, or S corporation in which you materially participated? If so, you may qualify to use this reduced tax rate. For the income to qualify, it

must be nonpassive income from a sole proprietorship, 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 on 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 and must be made on your original return. **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 46 and check box 46c.

*Part-year residents.* Enter the tax amount from Schedule OR-PTE-PY, line 19a on Form OR-40-P, line 44 and check box 44c.

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



**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 2018 is 0.4167 percent (0.004167) per month. For 2019, the interest rate is 0.5 percent (0.005) per month.

**Nonresidents.** Use only those installment obligations from dispositions of Oregon property.

2018 Tax rate charts	
<b>Chart S: For persons filing single or married filing separately—</b>	
If your taxable income is not over \$3,450.....	your tax is 5% of taxable income
If your taxable income is over \$3,450 but not over \$8,700.....	your tax is \$173 plus 7% of excess over \$3,450
If your taxable income is over \$8,700 but not over \$125,000.....	your tax is \$540 plus 9% of excess over \$8,700
If your taxable income is over \$125,000.....	your tax is \$11,007 plus 9.9% of excess over \$125,000
<b>Chart J: For persons filing jointly, head of household, or qualifying widow(er) with dependent child—</b>	
If your taxable income is not over \$6,900.....	your tax is 5% of taxable income
If your taxable income is over \$6,900 but not over \$17,400.....	your tax is \$345 plus 7% of excess over \$6,900
If your taxable income is over \$17,400 but not over \$250,000.....	your tax is \$1,080 plus 9% of excess over \$17,400
If your taxable income is over \$250,000.....	your tax is \$22,014 plus 9.9% of excess over \$250,000

## Credits—Nonrefundable

Form  
OR-40-N 49

Form  
OR-40-P 48

**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 \$201. 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 49; or Form OR-40-P, line 48. 7. \_\_\_\_\_

Form  
OR-40-N 50

Form  
OR-40-P 49

**Total standard credits from Schedule OR-ASC-NP.** Other credits not explained here are claimed on Schedule OR-ASC-NP. **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 50; or Form OR-40-P, line 49.

For more information about standard credits, refer to the instructions for Schedule OR-ASC-NP or Publication OR-17.

Form  
OR-40-N 53

Form  
OR-40-P 52

**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. **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 53; or Form OR-40-P, line 52.

For more information about carryforward credits, refer to the instructions for Schedule OR-ASC-NP or Publication OR-17.

## Tax payments and refundable credits

Form  
OR-40-N 55

Form  
OR-40-P 54

**Oregon income tax withheld.** Fill in the total Oregon tax withheld from your wages and other income shown on all of your Form W-2s, box 17, or Form 1099s. 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, 2019, we can accept only a Form W-2 or 1099 as proof.

Form OR-40-N 56

Form OR-40-P 55

**Amount applied from your prior year's tax refund.** Fill in the amount of any prior year refund you applied to your 2018 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](http://www.oregon.gov/dor) and click the link for Revenue Online; then log in or create an account. You may also contact us to verify the amounts you applied toward your 2018 tax period.

Form OR-40-N 57

Form OR-40-P 56

**Estimated tax payments for 2018.** Fill in the total estimated tax payments you made before filing your 2018 Oregon return. These payments were due April 16, 2018; June 15, 2018; September 17, 2018; and January 15, 2019. 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 56; or Form OR-40-P, line 55. If you need to verify your estimated payments, go to Revenue Online at [www.oregon.gov/dor](http://www.oregon.gov/dor) and log in or create an account. You can also contact us to verify the amount of payments you made toward your 2018 tax period. **Include** any payments from real estate transactions.

Form OR-40-N 58

Form OR-40-P 57

**Tax payments from a pass-through entity (PTE).** If you're an owner in a PTE and you didn't 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 59

Form OR-40-P 58

**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, 2018 or you have no dependents, your Oregon credit is 8 percent of your federal credit multiplied by your Oregon percentage. For example, if your federal credit is \$2,500, your Oregon credit is \$200 ( $\$2,500 \times 0.08$ ) multiplied by your Oregon percentage. If you have a dependent age two or younger as of December 31, 2018, your Oregon credit is 11 percent of

your federal credit multiplied by your Oregon percentage. 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 17a. 1. \_\_\_\_\_
2. If you have a dependent age two or younger as of December 31, 2018, multiply the amount on line 1 by 11 percent (0.11). Otherwise, multiply the amount on line 1 by 8 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 59; or Form OR-40-P, line 58. 3. \_\_\_\_\_

Form OR-40-N 61

Form OR-40-P 60

**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. **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 61; or Form OR-40-P, line 60.

For more information about refundable credits, refer to the instructions for Schedule OR-ASC-NP or Publication OR-17.

## Penalties and interest

Form OR-40-N 65

Form OR-40-P 64

**Penalty and interest for filing or paying late.** Your tax is due **April 15, 2019**. Your return is also due April 15, 2019, unless you received an extension.

**Penalty.** Include a penalty if you:

- Submit your payment after April 15 (even if you have an extension to file).
- File your return showing tax to pay after the due date or extension due date.

The late-payment penalty is 5 percent of the tax reported on Form OR-40-N, line 54 or Form OR-40-P, line 53 that is 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, an additional 20 percent penalty for late-filing will be added; that is, you will owe a total penalty of 25 percent of any unpaid tax.

**Interest.** If you're paying your tax after April 15, 2019, 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 for 2019 is 6 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 (0.0164 percent). Convert the daily rate to a decimal (0.000164) and multiply by your unpaid tax and the number of days.

Here's how to figure interest:

Tax x 0.000164 x number of days

If the tax isn't paid within 60 days from the date of our billing notice, the interest rate increases to 10 percent per year.

If you're amending your return, calculate the interest based on the additional amount of tax you must pay (line 5 of the amended worksheet).

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



**Interest on underpayment of estimated tax.** For 2018, 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.

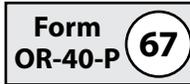
Use Form OR-10 to determine if you have an underpayment. Download the form from our website or contact us to order it.

If you have an underpayment, fill in the amount of interest due from Form OR-10, line 34 on Form OR-40-N, line 66; or Form OR-40-P, line 65. 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 66a; or Form OR-40-P, box 65a, and don't include Form OR-10.

If you used Worksheet OR-10-AI, check Form OR-40-N, box 66b; or Form OR-40-P, box 65b 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 67; or Form OR-40-P, line 66 and have an overpayment on Form OR-40-N, line 63; or Form OR-40-P, line 62? If the interest you owe is more than your overpayment, you have an amount due. Subtract Form OR-40-N, line 63; or Form OR-40-P, line 62 from Form OR-40-N, line 67; or Form OR-40-P, line 66 and enter the result on Form OR-40-N, line 68; or Form OR-40-P, line 67.

## Payment options

### Electronic payment from your checking or savings account

You can pay your current year income taxes, 2019 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.gov/dor](http://www.oregon.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 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](http://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.”
- Write **all** of the following on your payment:
  - The tax year (2018).
  - The form you’re filing (Oregon Form OR-40-N or OR-40-P).
  - The last four digits of your SSN or ITIN.
- 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.

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

## Refund

Form  
OR-40-N 69

Form  
OR-40-P 68

**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 on a refund, the interest will be refunded to you as long as the total refund amount is more than \$1.

## Refund applications

If you have a refund on Form OR-40-N, line 69; or Form OR-40-P, line 68; 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 69; or Form OR-40-P, line 68.

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 70–72; or Form OR-40-P, lines 69–71.

**Instructions for amended returns.** Complete the amended worksheet in the “General information” section at the beginning of these instructions. If line 5 of the worksheet results in an additional refund, you’re able to apply the additional amount to an **open** estimated tax account, a charitable checkoff, or an Oregon 529 college savings plan. However, you **can’t** reduce any of the amounts from the refund on your original return that were previously applied. Follow the special instructions for Form OR-40-N, lines 70–72 or Form OR-40-P, lines 69–71 regarding amended returns.

Form  
OR-40-N 70

Form  
OR-40-P 69

**Open estimated tax account.** You may apply part or all of your refund to an **open** estimated tax account (a year where you **will be** filing a tax return). This will become an estimated tax payment for that tax year. Generally, unless you’re filing a delinquent or amended return, the payment will be applied to the 2019 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 70; or Form OR-40-P, line 69 with the amount you want to apply as an estimated tax payment.

**Instructions for amended returns.** Enter the amount, if any, from your original return’s refund that was applied to another tax year. 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, also include the additional amount you want applied. See “Payments and refunds” in Publication OR-17.

Form  
OR-40-N 71

Form  
OR-40-P 70

**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 to Form OR-40-N, line 71; or Form OR-40-P, line 70.

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

**Instructions for amended returns.** Enter the amount, if any, from your original return’s refund that was applied toward a charity listed on Schedule OR-DONATE. If you’re receiving an additional refund, also include any amount you want applied to a charity.

Form  
OR-40-N 72

Form  
OR-40-P 71

**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. See Schedule OR-529.

**Instructions for amended returns.** Enter the amount, if any, from your original return’s refund that was applied toward an Oregon 529 college savings plan. If

you're receiving an additional refund, also include any amount you want applied to an Oregon 529 college savings plan.

Form  
OR-40-N 74

Form  
OR-40-P 73

**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 accounts. **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 75

Form  
OR-40-P 74

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 have a final destination 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.

## 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 can't sign their 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](http://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](http://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 W-2s and any Form 1099s showing Oregon tax withheld.
  - Schedule OR-A.
  - Schedule OR-ASC-NP.
  - Schedule OR-ADD-DEP.
  - Schedule OR-DONATE.
  - Schedule OR-529.
  - Form OR-10.
  - Schedule OR-WFHDC-NP.
  - Form OR-24.
  - Your RDP's Oregon return, if you're filing separately. Don't staple the returns together.
3. Copy (front and back) of your federal Form 1040 and Schedules 1 through 5 (if applicable), 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 a copy of the federal return you actually filed.

4. If you’re amending your return, include a copy of the federal or other state’s **corrected** return or audit report. If you’re amending your Oregon return only, attach the federal or other state’s original return.
5. Include your check or money order and completed Form OR-40-V payment voucher. If you’re paying by credit card or electronic payment, **don’t** use Form OR-40-V.

Be sure all pages of your return are from the same form. For example, if you file Form OR-40-N, be sure that “2018 Form OR-40-N” is printed at the top of each page.

**Include** federal Schedules 1 through 5 (if applicable to your Form 1040), but **don’t include** extension requests, or any other federal schedules with your Oregon return. Keep these with your records. We receive some federal information from the IRS. We may ask for copies of other 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 your figures. Errors will delay processing.

**If you have tax to pay,** read the instructions for Form OR-40-N, line 68; or Form OR-40-P, line 67.

**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 W-2s and 1099s showing Oregon income and tax withheld with your return.

**Include a copy** of your federal return (front and back) with your Oregon return. **Include** federal Schedules 1 through 5 (if applicable to your Form 1040), but **don’t include** other federal schedules.

**Include Form OR-40-V, the payment voucher,** with your check or money order. 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

**2018 Form OR-40-N**

Page 1 of 5, 150-101-048 (Rev. 01-20) Oregon Department of Revenue



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"/> Federal disaster relief. <input type="checkbox"/> Extension filed. <input type="checkbox"/> Federal Form 8886. <input type="checkbox"/> Form OR-24. <input type="checkbox"/> Military. <input type="checkbox"/> Employment exception.	

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** Total

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

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.

**2018 Form OR-40-N**



0054180102000

Name	SSN
	- -

**Income**

**Federal column (F)**

**Oregon column (S)**

7. Wages, salaries, and other pay for work from federal Form 1040, line 1. <b>Include all Forms W-2.</b> .....	7F.	.00	7S.	.00
8. Interest income from federal Form 1040, line 2b. ....	8F.	.00	8S.	.00
9. Dividend income from federal Form 1040, line 3b. ....	9F.	.00	9S.	.00
10. State and local income tax refunds from federal Schedule 1, line 10. ....	10F.	.00	10S.	.00
11. Alimony received from federal Schedule 1, line 11. ....	11F.	.00	11S.	.00
12. Business income or loss from federal Schedule 1, line 12. ....	12F.	.00	12S.	.00
13. Capital gain or loss from federal Schedule 1, line 13. ....	13F.	.00	13S.	.00
14. Other gains or losses from federal Schedule 1, line 14. ....	14F.	.00	14S.	.00
15. IRAs, pensions, and annuities from federal Form 1040, line 4b. ....	15F.	.00	15S.	.00
16. Reserved.				
17. Schedule E income or loss from federal Schedule 1, line 17. ....	17F.	.00	17S.	.00
18. Farm income or loss from federal Schedule 1, line 18. ....	18F.	.00	18S.	.00
19. Social Security benefits from federal Form 1040, line 5b and unemployment and other income from federal Schedule 1, lines 19-21. ....	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 Schedule 1, lines 28 and 32. ....	21F.	.00	21S.	.00
22. Education deductions from federal Schedule 1, lines 23, 33, and 34. ....	22F.	.00	22S.	.00
23. Moving expenses from federal Schedule 1, line 26. ....	23F.	.00	23S.	.00
24. Deduction for self-employment tax from federal Schedule 1, line 27. ....	24F.	.00	24S.	.00
25. Self-employed health insurance deduction from federal Schedule 1, line 29. ....	25F.	.00	25S.	.00
26. Alimony paid from federal Schedule 1, 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. <b>Oregon percentage.</b> Line 34S ÷ line 34F (not more than 100.0%). ....		.		%

2018 Form OR-40-N



00541801030000

Name SSN

Deductions and modifications

36. Amount from line 34S. 36. .00
37. Oregon itemized deductions. 37. .00
38. Standard deduction. 38. .00
39. Enter the larger of line 37 or 38. 39. .00
40. 2018 federal tax liability. 40. .00
41. Total modifications from Schedule OR-ASC-NP, section 4. 41. .00
42. Deductions and modifications multiplied by the Oregon percentage. 42. .00
43. Charitable art donation. 43. .00
44. Total deductions and modifications. 44. .00
45. Oregon taxable income. 45. .00

Oregon tax

46. Tax. 46. .00
46a. Schedule OR-FIA-40-N 46b. Worksheet OR-FCG 46c. Schedule OR-PTE-NR
47. Interest on certain installment sales. 47. .00
48. Total tax before credits. 48. .00

Standard and carryforward credits

49. Exemption credit. 49. .00
50. Total standard credits from Schedule OR-ASC-NP, section 5. 50. .00
51. Total standard credits. 51. .00
52. Tax minus standard credits. 52. .00
53. Total carryforward credits claimed this year. 53. .00
54. Tax after standard and carryforward credits. 54. .00

Payments and refundable credits

55. Oregon income tax withheld. 55. .00
56. Amount applied from your prior year's tax refund. 56. .00
57. Estimated tax payments for 2018. 57. .00
58. Tax payments from a pass-through entity. 58. .00
59. Earned income credit. 59. .00
60. Reserved.
61. Total refundable credits from Schedule OR-ASC-NP, section 7. 61. .00
62. Total payments and refundable credits. 62. .00

2018 Form OR-40-N



00541801040000

Name SSN

Tax to pay or refund

Table with 2 columns: Description (lines 63-66) and Amount (.00)

Exception number from Form OR-10, line 1: 66a. [ ] Check box if you annualized: 66b. [ ]

Table with 2 columns: Description (lines 67-74) and Amount (.00)

Direct deposit

75. 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: [ ]

Reserved.

# 2018 Form OR-40-N



Name	SSN
	- -

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

<input checked="" type="checkbox"/> Your signature	Date		
<input checked="" type="checkbox"/> Spouse's signature (if filing jointly, both <b>must</b> sign)	Date		
<input checked="" type="checkbox"/> Signature of preparer other than taxpayer	Preparer phone	Preparer license number, if professionally prepared	
<input checked="" type="checkbox"/> Preparer address	City	State	ZIP code

Signing this return does not grant your preparer the right to represent you or make decisions on your behalf. For more information, see the instructions for the *Tax Information Authorization and Power of Attorney for Representation* form on our website.

**Important:** Include a copy of your federal Form 1040, 1040X, 1040NR, or 1040NR-EZ. **Without this information, we may adjust your return.**

**Make your payment** (if you have an amount due on line 68)

- **Online payments:** Visit our website at [www.oregon.gov/dor](http://www.oregon.gov/dor).
- **Mailing your payment:** Make your check or money order payable to the **Oregon Department of Revenue**. Write **"2018 Oregon Form OR-40-N"** and the last four digits of your SSN or ITIN on your check or money order. Include your payment, along with the Form OR-40-V payment voucher, with this return.

**Send in your return**

- **Non-2-D barcode.** If the 2-D barcode area on the front of this return is blank:
  - Mail **tax-due** returns to: Oregon Department of Revenue, PO Box 14555, Salem OR 97309-0940.
  - Mail **refund and no-tax-due** returns to: Oregon Department of Revenue, PO Box 14700, Salem OR 97309-0930.
- **2-D barcode.** If the 2-D barcode area on the front of this return is filled in:
  - Mail **tax-due** returns to: Oregon Department of Revenue, PO Box 14720, Salem OR 97309-0463.
  - Mail **refund and no-tax-due** returns to: Oregon Department of Revenue, PO Box 14710, Salem OR 97309-0460.

**Amended statement.** Only complete this section if submitting an amended return or filing with a new SSN.

If filing an amended return, complete this statement with an explanation of what you are amending. Indicate the return line numbers and the reason for each change. If your filing status has changed, explain why.

If filing with a new SSN, enter your former identification number.

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**2018 Form OR-40-P**

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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"/>	Space for 2-D barcode—do not write in box below
Oregon resident: From: <input type="text"/> To: <input type="text"/>	
<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"/> Federal disaster relief.	
<input type="checkbox"/> Extension filed. <input type="checkbox"/> Federal Form 8886.	
<input type="checkbox"/> Form OR-24. <input type="checkbox"/> Military. <input type="checkbox"/> Employment exception.	

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.

**2018 Form OR-40-P**



0061180102000

Name	SSN - -
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**Income**

**Federal column (F)**

**Oregon column (S)**

7. Wages, salaries, and other pay for work from federal Form 1040, line 1. <b>Include all Forms W-2.</b> ..... 7F.	<input style="width:100%;" type="text" value=".00"/>	7S.	<input style="width:100%;" type="text" value=".00"/>
8. Interest income from federal Form 1040, line 2b. .... 8F.	<input style="width:100%;" type="text" value=".00"/>	8S.	<input style="width:100%;" type="text" value=".00"/>
9. Dividend income from federal Form 1040, line 3b. .... 9F.	<input style="width:100%;" type="text" value=".00"/>	9S.	<input style="width:100%;" type="text" value=".00"/>
10. State and local income tax refunds from federal Schedule 1, line 10. .... 10F.	<input style="width:100%;" type="text" value=".00"/>	10S.	<input style="width:100%;" type="text" value=".00"/>
11. Alimony received from federal Schedule 1, line 11. .... 11F.	<input style="width:100%;" type="text" value=".00"/>	11S.	<input style="width:100%;" type="text" value=".00"/>
12. Business income or loss from federal Schedule 1, line 12. .... 12F.	<input style="width:100%;" type="text" value=".00"/>	12S.	<input style="width:100%;" type="text" value=".00"/>
13. Capital gain or loss from federal Schedule 1, line 13. .... 13F.	<input style="width:100%;" type="text" value=".00"/>	13S.	<input style="width:100%;" type="text" value=".00"/>
14. Other gains or losses from federal Schedule 1, line 14. .... 14F.	<input style="width:100%;" type="text" value=".00"/>	14S.	<input style="width:100%;" type="text" value=".00"/>
15. IRAs, pensions, and annuities from federal Form 1040, line 4b. .... 15F.	<input style="width:100%;" type="text" value=".00"/>	15S.	<input style="width:100%;" type="text" value=".00"/>
16. Reserved.			
17. Schedule E income or loss from federal Schedule 1, line 17. .... 17F.	<input style="width:100%;" type="text" value=".00"/>	17S.	<input style="width:100%;" type="text" value=".00"/>
18. Farm income or loss from federal Schedule 1, line 18. .... 18F.	<input style="width:100%;" type="text" value=".00"/>	18S.	<input style="width:100%;" type="text" value=".00"/>
19. Social Security benefits from federal Form 1040, line 5b and unemployment and other income from federal Schedule 1, lines 19-21. .... 19F.	<input style="width:100%;" type="text" value=".00"/>	19S.	<input style="width:100%;" type="text" value=".00"/>
20. Total income. Add lines 7 through 19. .... 20F.	<input style="width:100%;" type="text" value=".00"/>	20S.	<input style="width:100%;" type="text" value=".00"/>

**Adjustments**

21. IRA or SEP and SIMPLE contributions, federal Schedule 1, lines 28 and 32. .... 21F.	<input style="width:100%;" type="text" value=".00"/>	21S.	<input style="width:100%;" type="text" value=".00"/>
22. Education deductions from federal Schedule 1, lines 23, 33, and 34. .... 22F.	<input style="width:100%;" type="text" value=".00"/>	22S.	<input style="width:100%;" type="text" value=".00"/>
23. Moving expenses from federal Schedule 1, line 26. .... 23F.	<input style="width:100%;" type="text" value=".00"/>	23S.	<input style="width:100%;" type="text" value=".00"/>
24. Deduction for self-employment tax from federal Schedule 1, line 27. .... 24F.	<input style="width:100%;" type="text" value=".00"/>	24S.	<input style="width:100%;" type="text" value=".00"/>
25. Self-employed health insurance deduction from federal Schedule 1, line 29. .... 25F.	<input style="width:100%;" type="text" value=".00"/>	25S.	<input style="width:100%;" type="text" value=".00"/>
26. Alimony paid from federal Schedule 1, line 31a. .... 26F.	<input style="width:100%;" type="text" value=".00"/>	26S.	<input style="width:100%;" type="text" value=".00"/>
27. Total adjustments from Schedule OR-ASC-NP, section 1. .... 27F.	<input style="width:100%;" type="text" value=".00"/>	27S.	<input style="width:100%;" type="text" value=".00"/>
28. Total adjustments. Add lines 21 through 27. .... 28F.	<input style="width:100%;" type="text" value=".00"/>	28S.	<input style="width:100%;" type="text" value=".00"/>
29. Income after adjustments. Line 20 minus line 28. .... 29F.	<input style="width:100%;" type="text" value=".00"/>	29S.	<input style="width:100%;" type="text" value=".00"/>

**Additions**

30. Total additions from Schedule OR-ASC-NP, section 2. .... 30F.	<input style="width:100%;" type="text" value=".00"/>	30S.	<input style="width:100%;" type="text" value=".00"/>
31. Income after additions. Add lines 29 and 30. .... 31F.	<input style="width:100%;" type="text" value=".00"/>	31S.	<input style="width:100%;" type="text" value=".00"/>

**Subtractions**

32. Social Security and tier 1 Railroad Retirement Board benefits included on line 19F. .... 32F.	<input style="width:100%;" type="text" value=".00"/>		
33. Total subtractions from Schedule OR-ASC-NP, section 3. .... 33F.	<input style="width:100%;" type="text" value=".00"/>	33S.	<input style="width:100%;" type="text" value=".00"/>
34. Income after subtractions. Line 31 minus lines 32 and 33. .... 34F.	<input style="width:100%;" type="text" value=".00"/>	34S.	<input style="width:100%;" type="text" value=".00"/>
35. <b>Oregon percentage.</b> Line 34S ÷ line 34F (not more than 100.0%). .... 35.	<input style="width:100%;" type="text" value="."/>	%	

2018 Form OR-40-P



00611801030000

Name SSN

Deductions and modifications

36. Amount from line 34F. 36. .00
37. Oregon itemized deductions. 37. .00
38. Standard deduction. 38. .00
39. Enter the larger of line 37 or 38. 39. .00
40. 2018 federal tax liability. 40. .00
41. Total modifications from Schedule OR-ASC-NP, section 4. 41. .00
42. Add lines 39, 40, and 41. 42. .00
43. Taxable income. Line 36 minus line 42. 43. .00

You were: 38a. 65 or older 38b. Blind Your spouse was: 38c. 65 or older 38d. Blind

Oregon tax

44. Tax. Check the appropriate box if you're using an alternative method to calculate your tax (see instructions). 44. .00
44a. Schedule OR-FIA-40-P 44b. Worksheet OR-FCG 44c. Schedule OR-PTE-PY
45. Oregon income tax. Line 44 multiplied by the Oregon percentage from line 35 (see instructions). 45. .00
46. Interest on certain installment sales. 46. .00
47. Total tax before credits. Add lines 45 and 46. 47. .00

Standard and carryforward credits

48. Exemption credit (see instructions). 48. .00
49. Total standard credits from Schedule OR-ASC-NP, section 5. 49. .00
50. Total standard credits. Add lines 48 and 49. 50. .00
51. Tax minus standard credits. Line 47 minus line 50. If line 50 is more than line 47, enter -0-. 51. .00
52. Total carryforward credits claimed this year from Schedule OR-ASC-NP, section 6. Line 52 can't be more than line 51 (see Schedule OR-ASC-NP instructions). 52. .00
53. Tax after standard and carryforward credits. Line 51 minus line 52. 53. .00

Payments and refundable credits

54. Oregon income tax withheld. Include a copy of Forms W-2 and 1099. 54. .00
55. Amount applied from your prior year's tax refund. 55. .00
56. Estimated tax payments for 2018. Include all payments you made prior to the filing date of this return, including real estate transactions. Do not include the amount you already reported on line 55. 56. .00
57. Tax payments from a pass-through entity. 57. .00
58. Earned income credit (see instructions). 58. .00
59. Reserved.
60. Total refundable credits from Schedule OR-ASC-NP, section 7. 60. .00
61. Total payments and refundable credits. Add lines 54 through 60. 61. .00

2018 Form OR-40-P



00611801040000

Name	SSN
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Tax to pay or refund

62. <b>Overpayment of tax.</b> If line 53 is <b>less</b> than line 61, you overpaid. Line 61 minus line 53.....	62.	.00
63. <b>Net tax.</b> If line 53 is <b>more</b> than line 61, you have tax to pay. Line 53 minus line 61.....	63.	.00
64. Penalty and interest for filing or paying late (see instructions).....	64.	.00
65. Interest on underpayment of estimated tax. <b>Include Form OR-10.</b> .....	65.	.00

Exception number from Form OR-10, line 1: 65a.  Check box if you annualized: 65b.

66. Total penalty and interest due. Add lines 64 and 65. ....	66.	.00
67. <b>Net tax including penalty and interest.</b> Line 63 plus line 66..... <b>This is the amount you owe</b>	67.	.00
68. <b>Overpayment less penalty and interest.</b> Line 62 minus line 66..... <b>This is your refund</b>	68.	.00
69. Estimated tax. Fill in the portion of line 68 you want applied to your estimated tax account.....	69.	.00
70. Charitable checkoff donations from Schedule OR-DONATE, line 30.....	70.	.00
71. Oregon 529 College Savings Plan deposits from Schedule OR-529 (see instructions).....	71.	.00
72. Total. Add lines 69 through 71. Total can't be more than your refund on line 68. ....	72.	.00
73. <b>Net refund.</b> Line 68 minus line 72..... <b>This is your net refund</b>	73.	.00

Direct deposit

74. 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:

Reserved.

# 2018 Form OR-40-P



Name	SSN
	- -

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

Your signature	Date		
X	/ /		
Spouse's signature (if filing jointly, both <b>must</b> sign)	Date		
X	/ /		
Signature of preparer other than taxpayer	Preparer phone	Preparer license number, if professionally prepared	
X	( ) -		
Preparer address	City	State	ZIP code

Signing this return does not grant your preparer the right to represent you or make decisions on your behalf. For more information, see the instructions for the *Tax Information Authorization and Power of Attorney for Representation* form on our website.

**Important:** Include a copy of your federal Form 1040, 1040X, 1040NR, or 1040NR-EZ. **Without this information, we may adjust your return.**

**Make your payment** (if you have an amount due on line 67)

- **Online payments:** Visit our website at [www.oregon.gov/dor](http://www.oregon.gov/dor).
- **Mailing your payment:** Make your check or money order payable to the **Oregon Department of Revenue**. Write **"2018 Oregon Form OR-40-P"** and the last four digits of your SSN or ITIN on your check or money order. Include your payment, along with the Form OR-40-V payment voucher, with this return.

**Send in your return**

- **Non-2-D barcode.** If the 2-D barcode area on the front of this return is blank:
  - Mail **tax-due** returns to: Oregon Department of Revenue, PO Box 14555, Salem OR 97309-0940.
  - Mail **refund and no-tax-due** returns to: Oregon Department of Revenue, PO Box 14700, Salem OR 97309-0930.
- **2-D barcode.** If the 2-D barcode area on the front of this return is filled in:
  - Mail **tax-due** returns to: Oregon Department of Revenue, PO Box 14720, Salem OR 97309-0463.
  - Mail **refund and no-tax-due** returns to: Oregon Department of Revenue, PO Box 14710, Salem OR 97309-0460.

**Amended statement.** Only complete this section if submitting an amended return or filing with a new SSN.

If filing an amended return, complete this statement with an explanation of what you are amending. Indicate the return line numbers and the reason for each change. If your filing status has changed, explain why.

If filing with a new SSN, enter your former identification number.

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# 2018 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.
- Additions.
- Subtractions.
- Modifications.
- Standard credits.
- Carryforward credits.
- Refundable credits.

Identify the code you're claiming and enter the information requested in the corresponding section. Enter the total from each section on the line indicated for Form OR-40-N or OR-40-P.

For more information, refer to the instructions or Publication OR-17.

### Section 1: Adjustments (codes 002–005)

	<i>Code</i>	<i>Amount in federal column</i>		<i>Amount in Oregon column</i>
1a.	<input style="width: 30px; 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: 30px; 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: 30px; 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: 30px; 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: 30px; 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"/>
	<b>Enter total</b>	<input style="width: 100%; height: 20px;" type="text" value="0.00"/>	<b>27S.</b>	<input style="width: 100%; height: 20px;" type="text" value="0.00"/>
	<b>on Form OR-40-N or</b>			
	<b>OR-40-P, line 27F</b>			

### Section 2: Additions (codes 103–184)

	<i>Code</i>	<i>Amount in federal column</i>		<i>Amount in Oregon column</i>
2a.	<input style="width: 30px; 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: 30px; 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: 30px; 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: 30px; 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: 30px; 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"/>
	<b>Enter total</b>	<input style="width: 100%; height: 20px;" type="text" value="0.00"/>	<b>30S.</b>	<input style="width: 100%; height: 20px;" type="text" value="0.00"/>
	<b>on Form OR-40-N or</b>			
	<b>OR-40-P, line 30F</b>			

### Section 3: Subtractions (codes 300–360)

	<i>Code</i>	<i>Amount in federal column</i>		<i>Amount in Oregon column</i>
3a.	<input style="width: 30px; 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: 30px; 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: 30px; 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: 30px; 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: 30px; 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"/>
	<b>Enter total</b>	<input style="width: 100%; height: 20px;" type="text" value="0.00"/>	<b>33S.</b>	<input style="width: 100%; height: 20px;" type="text" value="0.00"/>
	<b>on Form OR-40-N or</b>			
	<b>OR-40-P, line 33F</b>			

# 2018 Schedule OR-ASC-NP



Name	SSN - -
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### Section 4: Modifications (codes 600–652)

	<i>Code</i>		<i>Amount</i>
4a.	<input style="width: 30px; height: 20px;" type="text"/>	4b.	.00
4c.	<input style="width: 30px; height: 20px;" type="text"/>	4d.	.00
4e.	<input style="width: 30px; height: 20px;" type="text"/>	4f.	.00
4g.	<input style="width: 30px; height: 20px;" type="text"/>	4h.	.00
4i.	<input style="width: 30px; height: 20px;" type="text"/>	4j.	.00
			.00

Enter total on Form OR-40-N or OR-40-P, line 41

### Section 5: Standard credits (codes 802–815)

	<i>Code</i>		<i>Amount</i>	
5a.	<input style="width: 30px; height: 20px;" type="text"/>	5b.	.00	<i>State abbreviation</i> (if claiming code 802 or 815)
5d.	<input style="width: 30px; height: 20px;" type="text"/>	5e.	.00	
5g.	<input style="width: 30px; height: 20px;" type="text"/>	5h.	.00	
5j.	<input style="width: 30px; height: 20px;" type="text"/>	5k.	.00	
5m.	<input style="width: 30px; height: 20px;" type="text"/>	5n.	.00	
			.00	

Enter total on Form OR-40-N, line 50; or OR-40-P, line 49

### Section 6: Carryforward credits (codes 835–871)

	<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: 30px; height: 20px;" type="text"/>	6b.	.00	6c.	.00	6d.	.00
6e.	<input style="width: 30px; height: 20px;" type="text"/>	6f.	.00	6g.	.00	6h.	.00
6i.	<input style="width: 30px; height: 20px;" type="text"/>	6j.	.00	6k.	.00	6l.	.00
6m.	<input style="width: 30px; height: 20px;" type="text"/>	6n.	.00	6o.	.00	6p.	.00
6q.	<input style="width: 30px; height: 20px;" type="text"/>	6r.	.00	6s.	.00	6t.	.00
						.00	

Enter total on Form OR-40-N, line 53; or OR-40-P, line 52

### Section 7: Refundable credits (codes 890–895)

	<i>Code</i>		<i>Amount</i>
7a.	<input style="width: 30px; height: 20px;" type="text"/>	7b.	.00
7c.	<input style="width: 30px; height: 20px;" type="text"/>	7d.	.00
7e.	<input style="width: 30px; height: 20px;" type="text"/>	7f.	.00
			.00

Enter total on Form OR-40-N, line 61; or OR-40-P, line 60

## Instructions for Schedule OR-ASC-NP

# 2018

### New information

#### Additions

- **Oregon 529 College Savings Plan withdrawals.** If you withdrew funds from an Oregon 529 College Savings Network plan for the enrollment or attendance at an elementary or secondary (K-12) school, you must report an addition (code 117) for the amount you previously subtracted from your income and for the earnings on the withdrawal. For more information, see “Oregon 529 College Savings Plan deposits” and Publication OR-17.
- **Repatriated foreign income.** There is a new addition if you repatriated deferred foreign income in 2018. See the “Additions” section and Publication OR-17 for more information.

#### Subtractions

- **Special Oregon medical subtraction.** For tax year 2018, you or your spouse must be age 65 or older on December 31, 2018 to qualify for the subtraction.
- **Oregon 529 College Savings Network and ABLE Account limits.** Contribution limits have increased to \$4,750 for taxpayers filing joint returns and \$2,375 for all others. For more information, see Publication OR-17.

#### Credits

- **Working family household and dependent care (WFHDC) credit.** If you are not married and you paid dependent care expenses while you attended school, these expenses may now qualify for the WFHDC credit. For more information see the instructions for Schedule OR-WFHDC-NP.
- **College Opportunity Grant Tax Credit Auction.** There was a new tax credit auction in tax year 2018. If you made a contribution to the Oregon Opportunity Grant Fund through the tax credit auction, see Publication OR-17 for additional information. If you claim this credit, don't include the amount you paid as an itemized deduction on your Oregon return. See the instructions for Schedule OR-A.
- **Bovine manure production/collection credit.** There is a new transferable tax credit available for the 2018 tax year for producers or collectors of bovine manure who use the manure as biofuel in Oregon. See Publication OR-17 for more information.
- **Expired credit.** The biomass production or collection credit expired on December 31, 2017. You can only claim this credit if you have a carryforward amount from a previous year.

### 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 on your tax return. Include all the schedules with your Form OR-40-N or Form OR-40-P.

If you're 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, and \$99.50 becomes \$100.

A list of the codes can be found at the end of these instructions in Publication OR-CODES. These instructions have explanations of the most common items. See Publication OR-17 for more details and explanations of other items.

#### Section 1: Adjustments (codes 002–005)

Adjustments claimed on your federal return reduce your federal taxable income. For detailed information, see Publication OR-17.

- Step 1: Complete the table in Section 1 with adjustments you claimed on your federal return 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.

#### Section 2: Additions (codes 103–184)

Additions are items the federal government doesn't tax but Oregon does. For detailed information, see 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 amounts 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.

**Repatriated foreign income [code 184].** Did you repatriate deferred foreign income in 2018? If so, the income must be reported on your Oregon return, even if it wasn't actually received during the year. You must claim an addition for the amount of this income that was deducted on your federal return. For the Oregon column, you will claim an addition if you were an Oregon resident at the time you were deemed to have received the distribution or if the income is from property employed in a business, trade, profession, or occupation carried on in Oregon when you were a nonresident. See Publication OR-17 for more information.

### 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, see 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 amounts 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 2018 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 income.
- **If your service or points occurred both before and after October 1, 1991,** 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 your 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 the federal column, Form OR-40-N or Form OR-40-P, line 15F. 1. \_\_\_\_\_
2. Divide months of service or points earned before October 1, 1991, by total months of service or points earned. Enter your 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 15S. 4. \_\_\_\_\_
5. Your 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]. Update—As of December 2019, this deduction has been extended, retroactive to tax year 2018.** Did you claim the American Opportunity or Lifetime Learning credit on your federal return? If so, you may qualify for this subtraction if 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 deduct 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 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 nonresident, calculate your subtraction using the following formula:

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

Add the amount of qualified education expenses you paid while an Oregon resident. Enter the smaller of the results or the amount you would have deducted on your federal return, but not more than the federal limit.

**Interest and dividends on U.S. bonds and notes [code 315].** Subtract interest and dividends from qualifying U.S. bonds reported on your federal return, such as interest from U.S. Series EE and I Bonds. See Publication OR-17 for a complete list of qualifying bonds and notes.

*Federal column.* Enter qualifying interest or dividends that you reported on line 8F or 9F of the federal column.

*Oregon column.* Enter qualifying interest or dividends that you reported on line 8S or 9S of the Oregon column.

**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 65 or older on December 31, 2018 and have qualifying medical and/or dental expenses, you may qualify for the special Oregon medical subtraction. See the 2018 IRS Publication 502 for types of qualifying medical and dental expenses. You cannot subtract medical and dental expenses:

- For anyone under age 65;
- 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 (AGI) exceeds \$200,000 (\$100,000 for those who file single or married filing separately). Use the special Oregon medical subtraction worksheet 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, see 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 65 or older on December 31, 2018, enter your total qualifying medical and dental expenses. See “Shared expenses” for information about splitting expenses, such as insurance premiums. If your medical expenses aren't included in your Oregon itemized deductions or you're claiming the standard deduction on your Oregon return, 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 65 or older on December 31, 2018—**stop.** You don't qualify for the subtraction. Complete column B for your spouse to see if they 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 OR-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 OR-A or the amount claimed on line 3 of your Schedule OR-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 AGI from the maximum allowable medical subtraction table. Don't enter more than \$1,800.

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

**Line 8:** Add the amounts from line 7 column (A) and column (B). This is your special Oregon medical subtraction. Enter this amount in both the federal and Oregon columns on Schedule OR-ASC-NP, Section 3, using code 351.

## Special Oregon medical subtraction worksheet

	Column (A) You	Column (B) Spouse
1. Medical and dental expenses for each qualifying taxpayer.	1. _____	1. _____
2. Total medical and dental expenses claimed (Schedule OR-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 OR-A, or the amount on line 3 of your Schedule OR-A. 4. \_\_\_\_\_ 4. \_\_\_\_\_
5. Multiply line 3 by line 4 and round to whole dollars. 5. \_\_\_\_\_ 5. \_\_\_\_\_
6. Maximum allowable medical subtraction from the table below. 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. 8. \_\_\_\_\_

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 66 and 65 on December 31, 2018. They are filing a joint nonresident return with a federal AGI of \$55,000 and Oregon source income of \$40,000. They are itemizing deductions for Oregon. In 2018, they paid \$5,700 in medical expenses that they claimed on Schedule OR-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 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 claimed (Schedule OR-A, line 1).	2. <u>\$5,700</u>	2. <u>\$5,700</u>
3. Divide line 1 by line 2 and round to three decimal places.	3. <u>0.614</u>	3. <u>0.175</u>
4. Enter the lesser of the expenses claimed on line 1 of your Schedule OR-A, or the amount on line 3 of your Schedule OR-A.	4. <u>\$4,125</u>	4. <u>\$4,125</u>
5. Multiply line 3 by line 4 and round to whole dollars.	5. <u>\$2,533</u>	5. <u>\$722</u>
6. Maximum allowable medical subtraction from the table.	6. <u>\$1,400</u>	6. <u>\$1,400</u>
7. Enter the lesser of line 5 or line 6.	7. <u>\$1,400</u>	7. <u>\$722</u>
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. <u>\$2,122</u>	

**Section 4: Modifications (codes 600–652)**

Modifications are items that further adjust your Oregon taxable income. For detailed information, see “Additions” or “Subtractions” 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. 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 41.

## 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, use your standard credits first. For detailed information, see Publication OR-17.

**Some Oregon credits must be multiplied by your Oregon percentage. These prorated credits are signified with a "PR" on Publication OR-CODES.** This means you need to multiply your total credit by your Oregon percentage 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 standard credit. Each code should only be listed once (unless you are claiming code 802 or 815 for multiple states; these should 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 using code 802 or 815, 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 50; or Form OR-40-P, line 49.

## Section 6: Carryforward credits (codes 835–871)

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, see 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 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 835–871. 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 2017 that was carried forward to tax year 2018, if any. Don't enter amounts used in 2017; only enter unused amounts from 2017. Enter the amount into the "Amount from prior year" column (see Example 3).
- Step 3: Fill in the credit amount you were awarded in 2018, if any, in the "Amount awarded this year" column. 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,** enter 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,** enter only the portion that is allowed to be claimed in tax year 2018 (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 2018 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 53; or Form OR-40-P, line 52. The total of all carryforward credits can't be more than your tax reported on Form OR-40-N, line 52; or Form OR-40-P, line 51. If your carryforward credits are more than the tax reported on Form OR-40-N, line 52; or Form OR-40-P, line 51, 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 2018, Neil and David received a \$25,000 credit for contributing to the Child Care Fund. For 2018, their tax reported on Form OR-40-P, line 51 is \$16,500. This credit is not multiplied by the Oregon percentage. 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 2019.

**Example 3.** The same as example 2, except that Neil and David also contributed to the Child Care Fund in 2017. Their 2017 credit was \$10,000. They were able to use \$3,000 and carried forward \$7,000 to 2018. Here’s how they will complete the table, reporting the 2017 and 2018 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] of their 2018 credit to tax year 2019.

**Example 4.** Valerie and Tony received a \$6,000 credit for contributing to the University Venture Development Fund in 2018. This credit is multiplied by the Oregon percentage. Their 2018 Oregon percentage reported on Form OR-40-N, line 35 is 100 percent. Their 2018 tax reported on Form OR-40-N, line 52 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

They will carry forward \$6,000 to tax year 2019.

**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 multiplied by the Oregon percentage, plus any amount carried forward from the previous year. In 2017, Senait’s credit of \$1,500 was reduced to \$1,050 after she multiplied it by her Oregon percentage. She was only able to use \$700, so the remaining \$350 was carried forward to 2018. Her credit is \$1,500 each year for 2018, 2019, and 2020, but each year’s credit must be multiplied by her Oregon percentage for that year.

Senait was also awarded a \$500 credit for participating in the College Opportunity Grant Tax Credit Auction. This credit is not multiplied by the Oregon percentage for that year.

Her 2018 Oregon percentage reported on Form OR-40-N line 35 is 80 percent. Her 2018 tax reported on line 52 is \$3,000. Here’s how she will complete the table for 2018:

Code	Amount from prior year	Amount awarded this year	Total used this year
861	\$350.00	\$1,200.00	\$1,550.00
871	\$0.00	\$500.00	\$500.00
	.00	.00	.00

The \$1,500 residential energy credit amount allowed for 2018 is reduced to \$1,200 after being multiplied by her 2018 Oregon percentage (\$1,500 × 0.80). Senait will report \$1,200 in the “Amount awarded this year” column. She will report her prior year credit and enter \$350 in the “Amount from prior year” column (it was already prorated in the prior year). She will also list \$500 in the “Amount awarded this year” column for the college opportunity grant credit.

Because Senait’s tax is \$3,000, she is able to use the entire \$1,550 residential energy credit and the \$500 college opportunity credit. She will list these amounts in the “Total used this year” column. Senait is not able to carry forward the remaining \$300 (\$1,500–\$1,200) of her 2018 residential energy tax credit to another tax year, because the credit was prorated.

**Example 6:** Chad and Jolene have \$3,200 of unused child and dependent care credit originally awarded in 2015 that can be claimed in 2018. They also qualified for a 2017 residential energy credit of \$4,000, of which they may use up to \$1,500 in 2018 and \$1,000 in 2019 (multiplied by their Oregon percentage each year). Their 2018 Oregon percentage reported on Form OR-40-P, line 35 is 100 percent. Their 2018 tax reported on Form OR-40-P, line 51 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 2023 for the \$1,500 that can be claimed in 2018 and 2024 for the \$1,000 that can be claimed in 2019), they will use all of the \$3,200 child and dependent care credit first. Chad and Jolene will also use \$1,300 of the \$1,500 awarded for 2018 from 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-P, line 51 [\$4,500–(\$3,200+\$1,300)]. The remaining \$200 (\$1,500–\$1,300) of the residential energy credit that cannot be used in 2018 will be carried forward to 2019.

## **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, see Schedule OR-WFHDC-NP or 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 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 61; or Form OR-40-P, line 60.



Publication OR-CODES

**Numeric Codes for Oregon  
Adjustments, Additions, Subtractions, Modifications, and Credits**  
Effective for tax year 2018

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. (**Note:** For page numbers, see the item’s listing in the Publication OR-17 Index.)

<b>Adjustments—Schedule OR-ASC-NP, Section 1 only.</b>	<b>OR-40</b>	<b>OR-40-N</b>	<b>OR-40-P</b>	<b>Code</b>
Certain business expenses of reservists, performing artists, and fee-basis government officials—Form 1040, Schedule 1, Line 24		X	X	002
Health savings account deduction—Form 1040, Schedule 1, Line 25		X	X	003
Penalty on early withdrawal of savings—Form 1040, Schedule 1, Line 30		X	X	004
Write-in adjustments on Form 1040, Schedule 1, Line 36, or Form 1040NR, Line 34		X	X	005

<b>Additions—Schedule OR-ASC, Section 1 or OR-ASC-NP, Section 2.</b>	<b>OR-40</b>	<b>OR-40-N</b>	<b>OR-40-P</b>	<b>Code</b>
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

<b>Additions—Schedule OR-ASC, Section 1 or OR-ASC-NP, Section 2. (Continued from page 1)</b>	<b>OR-40</b>	<b>OR-40-N</b>	<b>OR-40-P</b>	<b>Code</b>
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
Nonresident capital loss carryovers	X	X	X	161
WFHDC medical expenses	X			163
ABLE account nonqualified withdrawal	X	X	X	164
College Opportunity Grant contributions	X			165
Repatriated foreign income	X	X	X	184

<b>Subtractions—Schedule OR-ASC, Section 2 or OR-ASC-NP, Section 3.</b>	<b>OR-40</b>	<b>OR-40-N</b>	<b>OR-40-P</b>	<b>Code</b>
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
Tuition and fees	X	X	X	308
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 for Oregon	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
U.S. 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

<b>Subtractions—Schedule OR-ASC, Section 2 or OR-ASC-NP, Section 3.</b> (Continued from page 2)	<b>OR-40</b>	<b>OR-40-N</b>	<b>OR-40-P</b>	<b>Code</b>
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
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

<b>Modifications—Schedule OR-ASC-NP, Section 4 only.</b>	<b>OR-40</b>	<b>OR-40-N</b>	<b>OR-40-P</b>	<b>Code</b>
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
Federal mortgage interest credit		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
College Opportunity Grant contributions +		X	X	652

+ Must be entered as a negative number.

<b>Standard credits—Schedule OR-ASC, Section 3 or OR-ASC-NP, Section 5.</b>	<b>OR-40</b>	<b>OR-40-N</b>	<b>OR-40-P</b>	<b>Code</b>
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

<b>Standard credits—Schedule OR-ASC, Section 3 or OR-ASC-NP, Section 5. (Continued from page 3)</b>	<b>OR-40</b>	<b>OR-40-N</b>	<b>OR-40-P</b>	<b>Code</b>
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

<b>Carryforward credits—Schedule OR-ASC, Section 4 or OR-ASC-NP, Section 6.</b>	<b>OR-40</b>	<b>OR-40-N</b>	<b>OR-40-P</b>	<b>Code</b>
Agriculture workforce housing	X	PR	PR	835
Biomass production/collection carryforward	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 carryforward	X	X	X	859
Renewable energy resource equipment manufacturing facility carryforward	X	X	X	860
Residential energy	X	PR	PR	861
Transportation projects	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
Bovine manure production/collection	X	PR	PR	869
College Opportunity Grant contributions	X	X	X	871

<b>Carryforward credits available only to S corporation shareholders.</b>				
Agriculture workforce housing loans (S corporation)	X	X	X	836
Alternative qualified research activities carryforward (S corporation)	X	X	X	837
Contribution of computers or scientific equipment for research carryforward (S corporation)	X	X	X	842
Lender's credit: affordable housing (S corporation)	X	X	X	854
Lender's credit: energy conservation carryforward (S corporation)	X	X	X	848
Long-term enterprise zone facilities carryforward (S corporation)	X	X	X	853
Qualified research activities carryforward (S corporation)	X	X	X	858

<b>Refundable credits—Schedule OR-ASC, Section 5 or OR-ASC-NP, Section 7.</b>	<b>OR-40</b>	<b>OR-40-N</b>	<b>OR-40-P</b>	<b>Code</b>
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.







# 2018 Schedule OR-529

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Office use only
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## Oregon 529 College Savings Plan Direct Deposit for Personal Income Tax 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

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;
- For MFS 529 Savings Plans only, enter the four-digit portfolio number—contact your account manager about portfolio options;
- Enter the account number—11 digits for MFS 529 Savings Plan or 13 digits for Oregon College Savings Plan;
- Enter the amount to be deposited into each account; and
- Total the amounts to be deposited.

1. Check one: 1a.  Oregon College Savings Plan; or 1b.  MFS 529 Savings Plan

1c. Portfolio no.  1d. Account no.  1e. Amount \$  .00

2. Check one: 2a.  Oregon College Savings Plan; or 2b.  MFS 529 Savings Plan

2c. Portfolio no.  2d. Account no.  2e. Amount \$  .00

3. Check one: 3a.  Oregon College Savings Plan; or 3b.  MFS 529 Savings Plan

3c. Portfolio no.  3d. Account no.  3e. Amount \$  .00

4. Check one: 4a.  Oregon College Savings Plan; or 4b.  MFS 529 Savings Plan

4c. Portfolio no.  4d. Account no.  4e. Amount \$  .00

Add lines 1–4. Enter this amount on your return. **Total \$**  .00

### Contact information

Oregon 529 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 —



# 2018 Schedule OR-DONATE

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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. <input style="width: 100px;" type="text" value="00"/>
2. Veterans Suicide Prevention.....	23.....	2. <input style="width: 100px;" type="text" value="00"/>
3. Oregon Nongame Wildlife.....	19.....	3. <input style="width: 100px;" type="text" value="00"/>
4. Prevent Child Abuse.....	20.....	4. <input style="width: 100px;" type="text" value="00"/>
5. Alzheimer's Disease Research.....	21.....	5. <input style="width: 100px;" type="text" value="00"/>
6. Stop Domestic and Sexual Violence.....	22.....	6. <input style="width: 100px;" type="text" value="00"/>
7. Habitat for Humanity.....	1.....	7. <input style="width: 100px;" type="text" value="00"/>
8. Oregon Head Start Association.....	2.....	8. <input style="width: 100px;" type="text" value="00"/>
9. American Diabetes Association.....	3.....	9. <input style="width: 100px;" type="text" value="00"/>
10. SMART.....	5.....	10. <input style="width: 100px;" type="text" value="00"/>
11. Oregon Coast Aquarium.....	4.....	11. <input style="width: 100px;" type="text" value="00"/>
12. SOLVE.....	6.....	12. <input style="width: 100px;" type="text" value="00"/>
13. The Nature Conservancy.....	8.....	13. <input style="width: 100px;" type="text" value="00"/>
14. St. Vincent DePaul Society of Oregon.....	7.....	14. <input style="width: 100px;" type="text" value="00"/>
15. Oregon Humane Society.....	10.....	15. <input style="width: 100px;" type="text" value="00"/>
16. The Salvation Army.....	11.....	16. <input style="width: 100px;" type="text" value="00"/>
17. Doernbecher Children's Hospital.....	9.....	17. <input style="width: 100px;" type="text" value="00"/>
18. The Oregon Veterans' Homes.....	12.....	18. <input style="width: 100px;" type="text" value="00"/>
19. ALS Association.....	29.....	19. <input style="width: 100px;" type="text" value="00"/>
20. Planned Parenthood of Oregon.....	13.....	20. <input style="width: 100px;" type="text" value="00"/>
21. Oregon Lions Sight & Hearing Foundation.....	14.....	21. <input style="width: 100px;" type="text" value="00"/>
22. Shriners Hospitals for Children.....	15.....	22. <input style="width: 100px;" type="text" value="00"/>
23. Special Olympics Oregon.....	16.....	23. <input style="width: 100px;" type="text" value="00"/>
24. Susan G. Komen.....	17.....	24. <input style="width: 100px;" type="text" value="00"/>
25. Oregon Military Assistance Program.....	24.....	25. <input style="width: 100px;" type="text" value="00"/>
26. Oregon Historical Society.....	18.....	26. <input style="width: 100px;" type="text" value="00"/>
27. Oregon Food Bank.....	25.....	27. <input style="width: 100px;" type="text" value="00"/>
28. Albertina Kerr Kid's Crisis Care.....	26.....	28. <input style="width: 100px;" type="text" value="00"/>
29. American Red Cross.....	27.....	29. <input style="width: 100px;" type="text" value="00"/>
30. <b>Total charitable checkoff donations.</b> Add lines 1 through 29.....		30. <input style="width: 100px;" type="text" value="00"/>

Enter total on line 45 of Form OR-40; line 71 of Form OR-40-N; or line 70 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](http://www.oregon.gov/dor) and search for "charitable checkoffs" or the name of a charity.

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





