

General information

Purpose. These schedules are used to determine Oregon personal income tax using farm income averaging (FIA). You may elect to figure your 2023 Oregon personal income tax by averaging some or all of this year's taxable farm income over the previous three tax years, also called "base years." This election may reduce your tax if:

- Your income from farming is greater this year than it was in the prior three years; **and**
- Your taxable income for one or more of the base years was within a lower tax bracket compared to this year.

You don't need to have income from farming for any of the base years to use FIA. If you didn't file an Oregon return for one or more of the base years, see "No Oregon return filed for base year" on page 3.

Tax brackets for the three base years. Compare your taxable income to the three lower tax brackets for the base years. If your taxable income for a base year was within a lower bracket compared to this year, you may benefit from using FIA.

4.75% bracket	2020	2021	2022
Single or married filing separately			
Not over	\$3,600	\$3,650	\$3,750
All others			
Not over	\$7,200	\$7,300	\$7,500

6.75% bracket	2020	2021	2022
Single or married filing separately			
Over	\$3,600	\$3,650	\$3,750
But not over	\$9,050	\$9,200	\$9,450
All others			
Over	\$7,200	\$7,300	\$7,500
But not over	\$18,100	\$18,400	\$18,900

8.75% bracket	2020	2021	2022
Single or married filing separately			
Over	\$9,050	\$9,200	\$9,450
But not over	\$125,000	\$125,000	\$125,000
All others			
Over	\$18,100	\$18,400	\$18,900
But not over	\$250,000	\$250,000	\$250,000

Oregon's highest personal income tax rate, 9.9 percent, applies to taxable income that is more than \$125,000 if your filing status is Single or Married filing separately, or \$250,000 for any other filing status.

Note: FIA can't be used with the qualified business income reduced tax rate (ORS 316.043).

Requirements for FIA

Farming business

Your farm income must be from a farming business. A **farming business** is the trade or business of cultivating land or harvesting any agricultural or horticultural commodity. This includes:

- Operating a nursery or sod farm.
- Raising or harvesting of trees bearing fruits, nuts, or other crops.
- Raising ornamental trees (but not evergreen trees that are more than six years old when severed from their roots).
- Raising, shearing, feeding, caring for, training, and managing animals.
- Leasing land to a tenant engaged in a farming business, but **only** if the lease payments are based on a share of the tenant's farm production (not a fixed amount).
- Wages and other compensation you received as a shareholder in an S corporation engaged in a farming business.

A farming business doesn't include:

- Contract harvesting of an agricultural or horticultural commodity grown or raised by someone else.
- Merely buying or reselling plants or animals grown or raised by someone else.
- Income from a fishing business, even if the income is allowed for averaging farm income on your federal return.

Elected farm income

Your **elected farm income** is the amount of your taxable income from a farming business that you elect to use for FIA. If you're electing to use FIA on your federal return, your elected farm income can be found on federal Schedule J, line 2a.

Note: Oregon doesn't allow FIA for income from a fishing business. Don't include income from a fishing business in your elected farm income even if it is allowed for federal purposes.

Taxable income from farming. To figure your elected farm income, first figure your taxable income from farming. **Taxable income from farming** includes all income, gains, losses, and deductions attributable to any farming business, other than gain from the sale or other disposition of land. Gains and losses from the sale or other disposition of property

(other than land) must be from property regularly used for a substantial period of time in your farming business.

- You don't have to include all of your taxable income from farming in your elected farm income.
- Your elected farm income can't be more than your Oregon taxable income.

Net capital gain. If your elected farm income includes net capital gain, you must allocate an equal portion of the net capital gain to each of the base years. The portion of your elected farm income treated as a net capital gain can't be more than the smaller of:

- Your total net capital gain, or
- Your net capital gain attributable to your farming business.

Capital loss. If you had a capital loss for any base year that resulted in a capital loss carryover to the next tax year, don't reduce the elected farm income allocated to that base year by any part of the carryover.

Net operating loss (NOL). If you had an NOL or carried an NOL deduction (NOLD) to a base year, you may have to do some additional calculations. See "Negative taxable income for base year" at the end of this publication.

What you'll need for FIA

To average your farm income, you will need:

- Schedule OR-FIA for this year's return type (full-year, part-year, or nonresident).
- Schedule OR-FIA-COMP if you're filing a part-year or nonresident return this year or if you've filed a part-year or nonresident return in one or more of the base years.
- Copies of your original or amended Oregon personal income tax returns for tax years 2020, 2021, and 2022 (base years). If we adjusted any of your returns for the base years, use the taxable income and tax from our adjustment. To request copies of past returns (for a small fee) or free transcripts, log in to your Revenue Online account at www.oregon.gov/dor or make your request by mail, email, or phone.

- Tax tables or rate charts from the return instructions for tax years 2020, 2021, and 2022. You can download the return instructions from our website or contact us to request them.

Credits. If you had credits that were limited to your tax liability or were prorated for any base year, other than the personal exemption credit, and the amount you could claim against your recomputed tax would be more than the amount claimed on your base-year return, you may decrease the recomputed tax by the additional credit. However, because any additional credit will be used in the calculation of this year's tax, you will also need to decrease any credit amount carried forward from a base year to any subsequent tax year.

No Oregon return filed for a base year

Resident with no federal income. If you were an Oregon resident but you didn't file an Oregon return for a base year because you had no federal income, or because your income was below the threshold for filing an Oregon return, use zero for your taxable income for that base year.

Nonresident with federal income but no Oregon-source income. If you were a nonresident for the entire year and you had no income from Oregon sources (or if you were a part-year Oregon resident but you didn't receive any income during the time when you were a resident), your Oregon income for the base year is zero. Your federal income will be your adjusted gross income (AGI) from your federal return for the base year.

Nonresident or part-year resident with federal income but no Oregon filing requirement. If you were a nonresident or a part-year resident for a base year and your Oregon-source income was below the threshold for filing an Oregon return, your Oregon income for the base year is your income from Oregon sources that you would have reported if you had filed an Oregon return. When you complete Schedule OR-FIA-COMP, see the return instructions for that base year for deductions or other modifications you could have claimed if you had filed a return.

Instructions for Schedules OR-FIA-40, OR-FIA-40-P, and OR-FIA-40-N

Full-year filers—OR-FIA-40

Tax on 2023 income without elected farm income

Lines 1 through 4. Subtract your 2023 elected farm income from your 2023 taxable income. Find the tax on your remaining taxable income using the tax tables or rate charts inside your return instructions.

Tax on base years with 2023 elected farm income

Lines 5 through 17

- If you used FIA or filed a part-year or nonresident return for any base year, use the Schedule OR-FIA-COMP

instructions for finding the averaged income to enter on lines 5, 9, and 13.

- If you had no Oregon-source income for any base year, enter \$0 as your taxable income for that base year.
- Otherwise, enter your taxable income for each base year.

Note: If you had negative Oregon taxable income for any of the three base years, see "Negative taxable income for base year" on page 9 for help completing lines 5, 9, and 13.

- Divide your 2023 elected farm income by 3 and enter the result on lines 6, 10, and 14.
- Use the tax tables or rate charts in the instructions for the 2020, 2021, and 2022 returns to determine the tax for each base year on the recomputed income on lines 7, 11, and

15 (or use the recomputed tax from Schedule OR-FIA-COMP). Enter the tax amounts on lines 8, 12, and 16.

- Add lines 4 (the tax on this year's income *without* the elected farm income), 8, 12, and 16 (the tax on recomputed income *with* the elected farm income for the three base years). Enter the total tax on line 17.

Tax on base years *without* 2023 elected farm income

Lines 18 through 21. Use Tables 1, 2, and 3 to determine the amount of tax to enter for each base year on lines 18, 19, and 20. Enter the total tax on line 21. (Note: Your tax was \$0 if you didn't file an Oregon return for that base year because you were a nonresident without Oregon-source income or your Oregon-source income was below the filing threshold.)

Table 1: Tax for base year 2020

If you:	Enter the amount from:		
	Form or schedule	For tax year	Line
Used FIA to figure your tax in 2022	OR-FIA-40	2022	12
	OR-FIA-40-P		11
	OR-FIA-40-N		12
Didn't use FIA in 2022, but used FIA in 2021	OR-FIA-40	2021	16
	OR-FIA-40-P		12
	OR-FIA-40-N		13
Didn't use FIA in 2022 or 2021, but used FIA in 2020	OR-FIA-40	2020	4
	OR-FIA-40-P		8
	OR-FIA-40-N		9
Did none of the above	OR-40	2020	20
	OR-40-P		45
	OR-40-N		46

Table 2: Tax for base year 2021

If you:	Enter the amount from:		
	Form or schedule	For tax year	Line
Used FIA to figure your tax in 2022	OR-FIA-40	2022	16
	OR-FIA-40-P		12
	OR-FIA-40-N		13
Didn't use FIA in 2022, but used FIA in 2021	OR-FIA-40	2021	4
	OR-FIA-40-P		8
	OR-FIA-40-N		9
Did none of the above	OR-40	2021	20
	OR-40-P		45
	OR-40-N		46

Table 3: Tax for base year 2022

If you:	Enter the amount from:		
	Form or schedule	For tax year	Line
Used FIA to figure your tax in 2022	OR-FIA-40	2022	4
	OR-FIA-40-P		8
	OR-FIA-40-N		9
Didn't use FIA in 2022, but used FIA in 2021	OR-FIA-40	2022	20
	OR-FIA-40-P		45
	OR-FIA-40-N		46

Tax on 2023 income

Line 22. Subtract the total tax on line 21 (tax on income for the base years without the 2023 elected farm income) from the total tax on line 17 (tax on 2023 income *without* the elected farm income plus the tax on the base years *with* the 2023 elected farm income). **This is the tax on your 2023 income if you use FIA.**

Line 23. Use the tax tables or rate charts from this year's return instructions to find the tax on your 2023 income if you don't use FIA.

Line 24. Compare the amount on line 22 to the amount on 23. Enter the smaller amount on line 24.

- If the amount on line 24 equals the amount on line 23, don't use FIA.
- If the amount on line 24 equals the amount on line 22, use FIA for 2023. Enter the amount from line 24 on Form OR-40, line 20. **Be sure to check box 20a to indicate that you used FIA to figure your tax.** Keep Schedule OR-FIA-40 with your tax records.

Example 1: Kelly, a single Oregon resident, has taxable income of \$40,000 and elected farm income of \$24,000 this year. Kelly didn't use FIA for any base year.

Here are Kelly's income and tax figures for the three base years and this year before using FIA:

Item	From	Amount
2020 taxable income	2020 Form OR-40, line 19	\$3,000
2020 tax	2020 Form OR-40, line 20	\$145
2021 taxable income	2021 Form OR-40, line 19	\$7,200
2021 tax	2021 Form OR-40, line 20	\$416
2022 taxable income	2022 Form OR-40, line 19	\$2,650
2022 tax	2022 Form OR-40, line 20	\$126
2023 taxable income	2023 Form OR-40, line 19	\$40,000
2023 tax	(using 2023 tax tables)	\$3,219

This is how Kelly completes Schedule OR-FIA-40:

1. 2023 taxable income.	\$40,000
2. Elected farm income.	<u>\$24,000</u>
3. Line 1 minus line 2.	\$16,000
4. Tax on amount on line 3 using 2023 tax table or chart.	\$1,119
5. 2020 taxable income.	\$3,000
6. Line 2 divided by 3.	<u>\$8,000</u>
7. Add lines 5 and 6.	\$11,000
8. Tax on amount on line 7 using 2020 tax table or chart.	\$714
9. 2021 taxable income.	\$7,200
10. Amount from line 6.	<u>\$8,000</u>
11. Add lines 9 and 10.	\$15,200
12. Tax on amount on line 11 using 2021 tax table or chart.	\$1,077
13. 2022 taxable income.	\$2,650
14. Amount from line 6.	<u>\$8,000</u>
15. Add lines 13 and 14.	\$10,650
16. Tax on amount on line 15 using 2022 tax table or chart.	\$668
17. Add lines 4, 8, 12, and 16.	\$3,578
18. Tax from 2020 Form OR-40.	\$145
19. Tax from 2021 Form OR-40.	\$416
20. Tax from 2022 Form OR-40.	\$126
21. Add lines 18, 19, and 20.	\$687
22. Line 17 minus line 21.	\$2,891
23. Tax on amount on line 1 using 2023 tax table or chart.	\$3,219
24. Smaller of line 22 or line 23.	\$2,891

Because the tax using FIA is less than the tax without FIA, Kelly enters the amount from line 24 on Form OR-40, line 20, and marks box 20a to indicate that FIA was used to calculate the tax.

Part-year filers—OR-FIA-40-P

Tax on 2023 income without elected farm income

Lines 1 through 4

Subtract your elected farm income from Oregon sources from your income after subtractions in both the federal and Oregon columns. Before you recompute your taxable income and tax, you will need to recompute your Oregon percentage on line 4.

Lines 5 through 8

- Subtract your deductions and modifications from the amount in the federal column on line 3a to get your remaining taxable income on line 6.
- Use the tax rate charts inside your return instructions to find the tax, then multiply the tax by your recomputed Oregon percentage.

Tax on base years with 2023 elected farm income

Lines 9 through 13

- Divide your 2023 elected farm income by 3 and enter the result on line 9. This amount will be added to the income for each base year on Schedule OR-FIA-COMP.
- Use Schedule OR-FIA-COMP for recomputing the tax on the income for each base year with the elected farm income added. Enter the results on lines 10 through 12.
- Add lines 8 (the tax on this year's income *without* the elected farm income), 10, 11, and 12 (the recomputed tax on income *with* the elected farm income for the three base years). Enter the total tax on line 13.

Tax on base years without 2023 elected farm income

Lines 14 through 17. Use Tables 1, 2, and 3 under "Full-year filers" to determine the amount of tax to enter for each base year on lines 14, 15, and 16. Enter the total tax on line 17.

Tax on 2023 income

Line 18. Subtract the tax amount on line 17 from the tax amount on line 13. **This is the tax on your 2023 income if you use FIA.**

Line 19. Use the tax rate charts from this year's return instructions to find the tax on your 2023 taxable income if you **don't** use FIA.

Line 20. Compare the amount on line 18 to the amount on line 19. Enter the smaller amount on line 20.

- If the amount on line 20 equals the amount on line 19, **don't** use FIA.
- If the amount on line 20 equals the amount on line 18, use FIA for 2023. Enter the amount from line 20 on Form OR-40-P, line 44. **Be sure to check box 44a to indicate that you used FIA to figure your tax.** Keep Schedule OR-FIA-40-P with your tax records.

Nonresident filers—OR-FIA-40-N

Tax on 2023 income without elected farm income

Lines 1 through 4. Subtract your elected farm income from Oregon sources from your income after subtractions in both the federal and Oregon columns. Before you recompute your taxable income and tax, you will need to recompute your Oregon percentage on line 4.

Lines 5 through 9. Divide your prorated deductions and modifications shown on line 42 of your return by your Oregon percentage on line 35. The result is your non-prorated

deductions and modifications for the year. (Alternatively, you can use the amount from line 4 of the worksheet in the instructions for line 42 of your return.) Multiply this amount by your recomputed Oregon percentage. Enter the result on line 5.

- To this amount, add your deductions and modifications that are not multiplied by the Oregon percentage, if any, from line 43 of your return. Enter the total on line 7.
- Subtract the total deductions and modifications on line 7 from the amount in the **Oregon** column on line 3b to get your remaining taxable income on line 8.
- Use the tax rate charts inside your return instructions to find the tax on the amount on line 8.

Tax on base years with 2023 elected farm income

Lines 10 through 14

- Divide your 2023 elected farm income by 3 and enter the result on line 10.
- Use the Schedule OR-FIA-COMP instructions for recomputing the tax for each base year with the elected farm income added. Enter the results on lines 11 through 13.
- Add lines 9 (the tax on this year's income without the elected farm income), 11, 12, and 13 (the recomputed tax on income with the elected farm income for the three base years). Enter the total tax on line 14.

Tax on base years without 2023 elected farm income

Lines 15 through 18. Use Tables 1, 2, and 3 under "Full-year filers" to determine the amount of tax to enter for each base year on lines 15, 16, and 17. Enter the total tax on line 18.

Tax on 2023 income

Line 19. Subtract the tax amount from line 18 from the tax amount on line 14. **This is the tax on your 2023 income if you use FIA.**

Line 20. Use the tax tables from this year's return instructions to find the tax on your 2023 taxable income if you **don't** use FIA.

Line 21. Compare the amount on line 19 to the amount on 20. Enter the smaller amount on line 21.

- If the amount on line 21 equals the amount on line 20, **don't** use FIA.
- If the amount on line 21 equals the amount on line 19, use FIA for 2023. Enter the amount from line 21 on Form OR-40-N, line 46. **Be sure to check box 46a to indicate that you used FIA to figure your tax.** Keep Schedule OR-FIA-40-N with your tax records.

Instructions for Schedule OR-FIA-COMP

Use Schedule OR-FIA-COMP if you were a part-year resident or nonresident for one or more base years or if you're filing a part-year or nonresident return this year. Before you complete this schedule, figure your tax on your 2023 income without the elected farm income and determine the amount equal to one-third of your 2023 elected farm income.

- **Full-year filers:** Complete Schedule OR-FIA-40 through line 4 and divide your elected farm income amount by three.
- **Part-year filers:** Complete Schedule OR-FIA-40-P through line 9.
- **Nonresident filers:** Complete Schedule OR-FIA-40-N through line 10.

Computations A, B, and C

Schedule OR-FIA-COMP is arranged by base years, starting with tax year 2020. For each base year, there is a computation that corresponds to the type of return you filed for that year. Use:

- **Computation A** if you filed a nonresident return.
- **Computation B** if you filed a part-year return.
- **Computation C** if you filed a full-year return.

Schedule OR-FIA-COMP

Base year 2020

Note: If you didn't have a filing requirement for a base year, use the computation that corresponds to the type of return you would have filed based on your residency status for that year.

Computation A—Nonresident return for 2020

Line 1: Most recently averaged income or income after subtractions. The computation for 2020 starts by entering your averaged income if you used FIA that year or a later base year, or your income after subtractions if you didn't use FIA for any base year.

- If you didn't file a 2020 Oregon return because you had no Oregon-source income, enter your federal AGI in the federal column and \$0 in the Oregon column.
- If you had Oregon-source income in 2020, but it wasn't enough to meet the filing requirement, enter your federal AGI in the federal column and your Oregon-source income in the Oregon column.
- If you had negative taxable income in 2020, see "Negative taxable income for base year."
- Otherwise, use Table 4 to determine the amounts to enter on lines 1a and 1b.

Table 4: Base year 2020, Nonresident return

If you:	Enter the amount from:				
	Form or schedule	for tax year	Computation	for tax year	lines
Used FIA to figure your tax in 2022	OR-FIA-COMP	2022	A	2020	3a, 3b
Didn't use FIA in 2022, but used FIA in 2021	OR-FIA-COMP	2021	A	2020	3a, 3b
Didn't use FIA in 2022 or 2021, but used FIA in 2020	OR-FIA-40-N	2020			3a, 3b
Did none of the above	OR-40-N	2020			34F, 34S

Lines 2 through 4. Enter one-third of your 2023 elected farm income on lines 2a and 2b, then add it to your 2020 averaged income or income after subtractions. Then recompute your 2020 Oregon percentage.

Lines 5 and 6. Using your 2020 Form OR-40-N, divide your prorated deductions and modifications on line 42 by your 2020 Oregon percentage on line 35, then multiply that amount by your recomputed 2020 Oregon percentage. The result is your recomputed prorated deductions and modifications for base year 2020. **Note:** If you had Oregon-source income but didn't have a filing requirement, see the 2020 return instructions for deductions you could have claimed on Form OR-40-N, line 42. Enter the full amount of these deductions, if any, on line 5. If you didn't have Oregon-source income, enter \$0 on lines 5 and 6.

Lines 7 through 9. Enter your deductions and modifications that weren't prorated using your Oregon percentage, if any, from your 2020 Form OR-40-N, line 43. Add them to the amount from line 6, then subtract the total from your income after subtractions in the **Oregon** column on line 3b. **Note:** If you didn't have Oregon-source income, enter \$0 on lines 7 and 8.

Line 10. Use the tax rate charts in the instructions for your 2020 Form OR-40-N to calculate the tax on the amount on line 9. **This is your recomputed tax if you filed (or would have filed) a nonresident return for tax year 2020.**

Computation B—Part-year return for 2020

Line 1: Most recently averaged income or income after subtractions. The computation for 2020 starts by entering your averaged income if you used FIA that year or a later base year, or your income after subtractions if you didn't use FIA for any base year.

- If you didn't file a 2020 Oregon return because you had no Oregon-source income, enter your federal AGI in the federal column and \$0 in the Oregon column.

- If you had Oregon-source income in 2020, but it wasn't enough to meet the filing requirement, enter your federal AGI in the federal column and your Oregon-source income in the Oregon column.
- If you had negative taxable income in 2020, see "Negative taxable income for base year."
- Otherwise, use Table 5 to determine the amounts to enter on lines 1a and 1b.

Table 5: Base year 2020, part-year return

If you:	Enter the amount from:				
	Form or schedule	for tax year	Computation	for tax year	lines
Used FIA in 2022	OR-FIA-COMP	2022	B	2020	3a, 3b
Didn't use FIA in 2022, but did use FIA in 2021	OR-FIA-COMP	2021	B	2020	3a, 3b
Didn't use FIA in 2022 or 2021, but did use FIA in 2020	OR-FIA-40-P	2020			3a, 3b
Did none of the above	OR-40-P	2020			34F, 34S

Lines 2 through 4. Enter one-third of your 2023 elected farm income on lines 2a and 2b, then add it to your 2020 averaged income or income after subtractions. Then recompute your 2020 Oregon percentage.

Lines 5 and 6. Enter the amount of your deductions and modifications from your 2020 Form OR-40-P, line 42, then subtract it from your income after subtractions in the federal column on line 3a. **Note:** If you had Oregon-source income but didn't have a filing requirement, see the 2020 return instructions for deductions you could have claimed on Form OR-40-P, line 42.

Lines 7 and 8. Use the tax rate charts in the instructions for your 2020 Form OR-40-P to calculate the tax on the amount on line 6. Then multiply the tax by your recomputed Oregon percentage. **This is your recomputed tax if you filed (or would have filed) a part-year return for tax year 2020.**

Computation C—Full-year return for 2020

Line 1: Most recently averaged income or taxable income. The computation for 2020 starts by entering your averaged income if you used FIA that year or a later base year, or your taxable income if you didn't use FIA for any base year.

- If you were a full-year resident in 2020 but you didn't have a filing requirement, enter \$0.
- If you had negative taxable income in 2020, see "Negative taxable income for base year."
- Otherwise, use Table 6 to determine the amount to enter on line 1.

Table 6: Base year 2020, full-year return

If you:	Enter the amount from:				
	Form or schedule	for tax year	Computation	for tax year	line
Used FIA in 2022 and:					
Didn't use OR-FIA-COMP	OR-FIA-40	2022			11
Used OR-FIA-COMP	OR-FIA-COMP	2022	C	2020	3
Didn't use FIA in 2022, but did use FIA in 2021 and:					
Didn't use OR-FIA-COMP	OR-FIA-40	2021			15
Used OR-FIA-COMP	OR-FIA-COMP	2021	C	2020	3
Didn't use FIA in 2022 or 2021, but did use FIA in 2020	OR-FIA-40	2020			3
Did none of the above	OR-40	2020			19

Lines 2 through 4. Enter one-third of your 2023 elected farm income on line 2, then add it to your 2020 averaged income or taxable income.

Line 5. Use the tax tables or rate charts in the instructions for your 2020 Form OR-40 to calculate the tax on the amount on line 4. **This is your recomputed tax if you filed (or would have filed) a full-year return for tax year 2020.**

Schedule OR-FIA-COMP

Base year 2021

Computation A—Nonresident return for 2021

Line 1: Most recently averaged income or income after subtractions. The computation for 2021 starts by entering your averaged income if you used FIA that year or 2022, or your income after subtractions if you didn't use FIA for either base year.

- If you didn't file a 2021 Oregon return because you had no Oregon-source income, enter your federal AGI in the federal column and \$0 in the Oregon column.
- If you had Oregon-source income in 2021, but it wasn't enough to meet the filing requirement, enter your federal AGI in the federal column and your Oregon-source income in the Oregon column.
- If you had negative taxable income in 2021, see "Negative taxable income for base year."
- Otherwise, use Table 7 to determine the amounts to enter on lines 1a and 1b.

Table 7: Base year 2021, Nonresident return

If you:	Enter the amount from:				
	Form or schedule	for tax year	Computation	for tax year	lines
Used FIA in 2022	OR-FIA-COMP	2022	A	2021	3a, 3b
Didn't use FIA in 2022, but did use FIA in 2021	OR-FIA-40-N	2021			3a, 3b
Did none of the above					34F, 34S

Lines 2 through 4. Enter one-third of your 2023 elected farm income on lines 2a and 2b, then add it to your 2021 averaged income or income after subtractions. Then recompute your 2021 Oregon percentage.

Lines 5 and 6. Using your 2021 Form OR-40-N, divide your prorated deductions and modifications on line 42 by your 2021 Oregon percentage on line 35, then multiply that amount by your recomputed 2021 Oregon percentage. The result is your recomputed prorated deductions and modifications for base year 2021. **Note:** If you had Oregon-source income but didn't have a filing requirement, see the 2021 return instructions for deductions you could have claimed on Form OR-40-N, line 42. Enter the full amount of these deductions, if any, on line 5. If you didn't have Oregon-source income, enter \$0 on lines 5 and 6.

Lines 7 through 9. Enter your deductions and modifications that weren't prorated using your Oregon percentage, if any, from your 2021 Form OR-40-N, line 43. Add them to the amount from line 6, then subtract the total from your income after subtractions in the Oregon column on line 3b. **Note:** If you didn't have Oregon-source income, enter \$0 on lines 7 and 8.

Line 10. Use the tax rate charts in the instructions for your 2021 Form OR-40-N to calculate the tax on the amount on line 9. **This is your recomputed tax if you filed (or would have filed) a nonresident return for tax year 2021.**

Computation B—Part-year return for 2021

Line 1: Most recently averaged income or income after subtractions. The computation for 2021 starts by entering your averaged income if you used FIA that year or 2022, or your income after subtractions if you didn't use FIA for either base year.

- If you didn't file a 2021 Oregon return because you had no Oregon-source income, enter your federal AGI in the federal column and \$0 in the Oregon column.
- If you had Oregon-source income in 2021, but it wasn't enough to meet the filing requirement, enter your federal AGI in the federal column and your Oregon-source income in the Oregon column.

- If you had negative taxable income in 2021, see “Negative taxable income for base year.”
- Otherwise, use Table 8 to determine the amounts to enter on lines 1a and 1b.

Table 8: Base year 2021, part-year return

If you:	Enter the amount from:				
	Form or schedule	for tax year	Computation	for tax year	lines
Used FIA in 2022	OR-FIA-COMP	2022	B	2021	3a, 3b
Didn't use FIA in 2022, but did use FIA in 2021	OR-FIA-40-P	2021			3a, 3b
Did none of the above	OR-40-P	2021			34F, 34S

Lines 2 through 4. Enter one-third of your 2023 elected farm income on lines 2a and 2b, then add it to your 2021 averaged income or income after subtractions. Then recompute your 2021 Oregon percentage.

Lines 5 and 6. Enter the amount of your deductions and modifications from your 2021 Form OR-40-P, line 42, then subtract it from your income after subtractions in the **Oregon** column on line 3b. **Note:** If you had Oregon-source income in 2021 but didn't have a filing requirement, see the 2021 return instructions for deductions you could have claimed on Form OR-40-P, line 42.

Lines 7 and 8. Use the tax rate charts in the instructions for your 2021 Form OR-40-P to calculate the tax on the amount on line 6. Then multiply the tax by your recomputed Oregon percentage. **This is your recomputed tax if you filed (or would have filed) a part-year return for tax year 2021.**

Computation C—Full-year return for 2021

Line 1: Most recently averaged income or taxable income. The computation for 2021 starts by entering your averaged income if you used FIA that year or 2022, or your taxable income if you didn't use FIA for either base year.

- If you were a full-year resident in 2021 but you didn't have a filing requirement, enter \$0.
- If you had negative taxable income in 2021, see “Negative taxable income for base year.”
- Otherwise, use Table 9 to determine the amount to enter on line 1.

Table 9: Base year 2021, full-year return

If you:	Enter the amount from:				
	Form or schedule	for tax year	Computation	for tax year	line
Used FIA in 2022 and:					
Didn't use OR-FIA-COMP	OR-FIA-40	2022			15
Used OR-FIA-COMP	OR-FIA-COMP	2022	C	2021	3
Didn't use FIA in 2022, but did use FIA in 2021	OR-FIA-40	2021			3
Did none of the above	OR-40	2021			19

Lines 2 through 4. Enter one-third of your 2023 elected farm income on line 2, then add it to your 2021 averaged income or taxable income.

Line 5. Use the tax tables or rate charts in the instructions for your 2021 Form OR-40 to calculate the tax on the amount on line 4. **This is your recomputed tax if you filed a full-year return for tax year 2021.**

Schedule OR-FIA-COMP Base year 2022

Computation A—Nonresident return for 2022

Line 1: Most recently averaged income or income after subtractions. The computation for 2022 starts by entering your averaged income if you used FIA that year, or your income after subtractions if you didn't use FIA.

- If you didn't file a 2022 Oregon return because you had no Oregon-source income, enter your federal AGI in the federal column and \$0 in the Oregon column.
- If you had Oregon-source income in 2022, but it wasn't enough to meet the filing requirement, enter your federal AGI in the federal column and your Oregon-source income in the Oregon column.
- If you had negative taxable income in 2022, see “Negative taxable income for base year.”
- Otherwise, use Table 10 to determine the amounts to enter on lines 1a and 1b.

Table 10: Base year 2022, Nonresident return

If you:	Enter the amount from:		
	Form or schedule	for tax year	lines
Used FIA in 2022	OR-FIA-40-N	2022	3a, 3b
Didn't use FIA in 2022	OR-40-N	2022	34F, 34S

Lines 2 through 4. Enter one-third of your 2023 elected farm income on lines 2a and 2b, then add it to your 2022 averaged income or income after subtractions. Then recompute your 2022 Oregon percentage.

Lines 5 and 6. Using your 2022 Form OR-40-N, divide your prorated deductions and modifications on line 42 by your 2022 Oregon percentage on line 35, then multiply that amount by your recomputed 2022 Oregon percentage. The result is your recomputed prorated deductions and modifications for base year 2022. **Note:** If you had Oregon-source income in 2022 but didn't have a filing requirement, see the 2022 return instructions for deductions you could have claimed on Form OR-40-N, line 42. Enter the full amount of these deductions, if any, on line 5. If you didn't have Oregon-source income, enter \$0 on lines 5 and 6.

Lines 7 through 9. Enter your deductions and modifications that weren't prorated using your Oregon percentage, if any, from your 2022 Form OR-40-N, line 43. Add them to the amount from line 6, then subtract the total from your income after subtractions in the **Oregon** column on line 3b. **Note:** If you didn't have Oregon-source income, enter \$0 on lines 7 and 8.

Line 10. Use the tax rate charts in the instructions for your 2022 Form OR-40-N to calculate the tax on the amount on line 9. **This is your recomputed tax if you filed (or would have filed) a nonresident return for tax year 2022.**

Computation B—Part-year return for 2022

Line 1: Most recently averaged income or income after subtractions. The computation for 2022 starts by entering your averaged income if you used FIA that year, or your income after subtractions if you didn't use FIA.

- If you didn't file a 2022 Oregon return because you had no Oregon-source income, enter your federal AGI in the federal column and \$0 in the Oregon column.
- If you had Oregon-source income in 2022, but it wasn't enough to meet the filing requirement, enter your federal AGI in the federal column and your Oregon-source income in the Oregon column.
- If you had negative taxable income in 2022, see "Negative taxable income for base year."
- Otherwise, use Table 11 to determine the amounts to enter on lines 1a and 1b.

Table 11: Base year 2022, part-year return

If you:	Enter the amount from:		
	Form or schedule	for tax year	lines
Used FIA in 2022	OR-FIA-40-P	2022	3a, 3b
Didn't use FIA in 2022	OR-40-P	2022	34F, 34S

Lines 2 through 4. Enter one-third of your 2023 elected farm income on lines 2a and 2b, then add it to your 2022 averaged income or income after subtractions. Then recompute your 2022 Oregon percentage.

Lines 5 and 6. Enter the amount of your deductions and modifications from your 2022 Form OR-40-P, line 42, then subtract it from your income after subtractions in the federal column on line 3a. **Note:** If you had Oregon-source income in 2022 but didn't have a filing requirement, see the 2022 return instructions for deductions you could have claimed on Form OR-40-P, line 42.

Lines 7 and 8. Use the tax rate charts in the instructions for your 2022 Form OR-40-P to calculate the tax on the amount on line 6. Then multiply the tax by your recomputed Oregon percentage. **This is your recomputed tax if you filed (or would have filed) a part-year return for tax year 2022.**

Computation C—Full-year return for 2022

Line 1: Most recently averaged income or taxable income. The computation for 2022 starts by entering your averaged income if you used FIA, or your taxable income if you didn't use FIA.

- If you were a full-year resident in 2022 but you didn't have a filing requirement, enter \$0.
- If you had negative taxable income in 2022, see "Negative taxable income for base year."
- Otherwise, use Table 12 to determine the amount to enter on line 1.

Table 12: Base year 2022, full-year return

If you:	Enter the amount from:		
	Form or schedule	for tax year	line
Used FIA in 2022	OR-FIA-40	2022	3
Didn't use FIA in 2022	OR-40	2021	19

Lines 2 through 4. Enter one-third of your 2023 elected farm income on line 2, then add it to your 2022 averaged income or taxable income.

Line 5. Use the tax tables or rate charts in the instructions for your 2022 Form OR-40 to calculate the tax on the amount on line 4. **This is your recomputed tax if you filed (or would have filed) a full-year return for tax year 2022.**

Example 2: Kevin and Laura are married Oregon residents who have filed joint returns for the past several years. They inherited a working farm in southern Oregon and relocated to this state from Nevada last year. They didn't file Oregon returns for the first two base years (2020 and 2021) because they had no Oregon-source income. Their federal AGI was \$32,000 for base year 2020 and \$29,000 for base year 2021.

Kevin and Laura claimed the Oregon standard deduction on their 2022 part-year return, and they didn't pay any federal

tax. Their 2023 elected farm income is \$18,000. Here are their income and tax figures for base year 2022 and this year:

Base year 2022:

Item	From	Amount
Federal income after subtractions	Form OR-40-P, line 34F	\$28,000
Oregon income after subtractions	Form OR-40-P, line 34S	\$12,000
Oregon percentage	Form OR-40-P, line 35	42.9% (0.429)
Taxable income	Form OR-40-P, line 43	\$23,160
Tax before Oregon percentage	Form OR-40-P, line 44	\$1,499
Tax	Form OR-40-P, line 45	\$643

Tax year 2023:

Item	From	Amount
Taxable income	Form OR-40, line 19	\$37,250
Tax	(using 2023 tax tables)	\$2,689

Kevin and Laura's Schedule OR-FIA-COMP for all base years. They use Schedule OR-FIA-COMP, Computation A for base years 2020 and 2021, when they were nonresidents, using the figures from the worksheets above.

Computation A, base year 2020

	Federal (a)	Oregon (b)
1. Income after subtractions.	\$32,000	\$0
2. One third of elected farm income.	<u>\$6,000</u>	<u>\$6,000</u>
3. Add lines 1 and 2.	\$38,000	\$6,000
4. Recomputed Oregon percentage.	15.7%	
5. Deductions and modifications.		\$0
6. Line 5 multiplied by line 4.		\$0
7. Form OR-40-N, line 43.		<u>\$0</u>
8. Add lines 6 and 7.		\$0
9. Line 3b minus line 8.		\$6,000
10. Tax on line 9 using 2020 rate chart		\$285

Computation A, base year 2021

	Federal (a)	Oregon (b)
1. Income after subtractions	\$29,000	\$0
2. One third of elected farm income	<u>\$6,000</u>	<u>\$6,000</u>
3. Add lines 1 and 2.	\$35,000	\$6,000
4. Recomputed Oregon percentage	17.1%	
5. Deductions and modifications		\$0
6. Line 5 multiplied by line 4.		\$0
7. Form OR-40-N, line 43.		<u>\$0</u>
8. Add lines 6 and 7.		\$0

9. Line 3b minus line 8.	\$6,000
10. Tax on line 9 using 2021 rate chart	\$285

Kevin and Laura use Computation B for base year 2022.

Computation B, base year 2022 **Federal (a)** **Oregon (b)**

1. Income after subtractions	\$28,000	\$12,000
2. One third of elected farm income	<u>\$6,000</u>	<u>\$6,000</u>
3. Add lines 1 and 2.	\$34,000	\$18,000
4. Recomputed Oregon percentage	52.9%	
5. Deductions and modifications		\$4,840
6. Line 3a minus line 5.		\$29,160
7. Tax on line 6 using 2022 rate chart.		\$2,024
8. Line 7 multiplied by line 4.		\$1,071

Schedule OR-FIA-40 for tax year 2023. After completing Schedule OR-FIA-COMP for all of the base years, Kevin and Laura complete Schedule OR-FIA-40:

1. 2023 taxable income.	\$37,250
2. Elected farm income.	<u>\$18,000</u>
3. Line 1 minus line 2.	\$19,250
4. Tax on amount on line 3 using 2023 tax table or chart.	\$1,138
5. 2020 taxable income.	\$0
6. Line 2 divided by 3.	<u>\$6,000</u>
7. Add lines 5 and 6.	\$6,000
8. 2020 tax from OR-FIA-COMP.	\$285
9. 2021 taxable income.	\$0
10. Amount from line 6.	<u>\$6,000</u>
11. Add lines 9 and 10.	\$6,000
12. 2021 tax from OR-FIA-COMP.	\$285
13. 2022 taxable income.	\$12,000
14. Amount from line 6.	<u>\$6,000</u>
15. Add lines 13 and 14.	\$18,000
16. Tax on amount on line 15 using 2022 rate chart.	\$1,071
17. Add lines 4, 8, 12, and 16.	\$2,779
18. 2020 tax from return.	\$0
19. 2021 tax from return.	\$0
20. 2022 tax from return.	\$643

21. Add lines 18, 19, and 20.	\$643
22. Line 17 minus line 21.	\$2,136
23. Tax on amount on line 1 using 2023 tax table or chart.	\$2,689
24. Smaller of line 22 or line 23.	\$2,136

Because the tax using FIA is less than the tax without FIA, Kevin and Laura use FIA for 2023. They enter the amount from line 24 on Form OR-40, line 20 and mark box 20a to indicate that FIA was used to calculate the tax. They keep Schedules OR-FIA-40 and OR-FIA-COMP with their tax records.

Negative taxable income for base year

If your taxable income for any base year was zero because your deductions were more than your income, you may have negative taxable income for that year to combine with your elected farm income.

In general, for FIA purposes, all deductions for the base year are allowed in full, even if they cause taxable income to be less than zero, but with certain adjustments described below. **For purposes of averaging your farm income, your taxable income can be less than zero.** If you had negative taxable income in any base year, use the **FIA taxable income worksheets** in these instructions to figure the amount to enter as your taxable income on Schedule OR-FIA-COMP.

Net operating losses. You may have negative taxable income due to a net operating loss, or NOL. An NOL year is the year of the actual loss. The NOL deduction, or NOLD, applies to the year to which the NOL is carried and deducted on a past or future return. See IRS Pub. 536 for more information about NOLs.

Special rules for loss deductions. There are some rules that apply to NOLs, NOL deductions, and capital losses that must be followed when figuring your taxable income for your base year.

- You can't claim a capital loss deduction on a return to which you're carrying an NOL deduction.** If you carry an NOLD to a year when you claimed a capital loss deduction, you must recompute your capital loss carryover to include the amount deducted. The capital loss already deducted before the NOLD was applied also must be added back to the base year income; it can't be used to decrease the income used to calculate the FIA tax.
- Although deductions are allowed in full for FIA purposes, any deduction amount that may provide a benefit in another tax year must be added back.** Generally, this includes NOLs and unused NOL deductions that are carried forward to another year, as well as capital loss carryovers.

You will need the *Capital Loss Carryover Worksheet* from the federal Schedule D instructions **for the year following the base year** if any amount of capital loss for the base year could be carried over to a later year.

Note for part-year and nonresident filers: NOLs, NOL deductions, capital losses, and capital loss carryovers may be for Oregon only, for federal only, or for both. Use the worksheet for any base year when your income after subtractions in either the federal column or the Oregon column is negative.

General instructions for FIA taxable income worksheets

First, you will figure your income after subtractions if you filed a part-year or nonresident return, or your taxable income if you filed a full-year return, for the base year **without** limiting the amount to zero. **Exceptions:** If you had an NOL that year, include the full amount of the NOL, but don't include any NOL deductions carried to that year. If you didn't have an NOL that year, but you carried an NOLD to that year, include the full amount of the NOLD in your calculation, even if you'll be carrying some of it to another year.

Next, if you had a net capital loss for the base year, you'll recompute your capital loss carryover to the following year to include the amount that was deducted. The amount deducted on your return will also be added to your base year income.

Then you'll subtract the net loss amount shown on your federal Schedule D, line 16.

Finally, if you had an NOL for the base year, you'll add the NOL amount back because it can provide a benefit in another year. If you didn't have an NOL, you'll add back any unused NOLD carryovers or carrybacks that can provide a benefit in another year.

The result is your taxable income for that base year for FIA purposes.

Example 3: John, a single filer, owns a farming business in Ontario, Oregon, but he resides in Idaho. John files a nonresident Oregon return each year.

John didn't use FIA for 2020, 2021, or 2022. He is planning to use FIA for 2023. His 2023 elected farm income is \$18,000.

Base year 2020—John's original 2020 federal income after subtractions was \$25,625, with \$850 from Oregon sources.

John's 2020 income included a \$7,000 capital loss from Oregon sources. His capital loss deduction on federal Schedule D, line 21 was \$3,000, with \$4,000 ($\$7,000 - \$3,000$) remaining as a carryover to tax year 2021.

John later amended his 2020 nonresident return when he carried back an NOL from tax year 2021. The NOL deduction caused him to have negative Oregon taxable income, so John will need to use the **taxable income worksheet for base year 2020** before he completes Schedule OR-FIA-COMP.

Base year 2021—John’s federal income after subtractions was \$32,500 for tax year 2021, but he had an Oregon-only NOL of \$14,500. John elected to carry the NOL back two years. Of this amount, \$5,500 was absorbed by John’s 2019 Oregon income, leaving a \$9,000 carryover to 2020.

Because he had an NOL for 2021, John will need to use the taxable income worksheet for base year 2021.

Base year 2022—John’s Oregon taxable income was positive for 2022, even after absorbing the remaining 2021 NOL. He doesn’t need to use a taxable income worksheet for base year 2022.

John’s worksheet for base year 2020. Here is how John will complete the Oregon column of his **taxable income worksheet for base year 2020**.

Line 1. John combines his original \$850 income after subtractions with the \$9,000 NOLD, resulting in income after subtractions of (\$8,150) without limiting it to zero.

Line 2. John enters the \$3,000 capital loss deduction from his 2020 federal Schedule D, line 21.

Line 3. When John carried the \$9,000 NOLD to 2020, he wasn’t allowed to claim the \$3,000 capital loss deduction. He recomputes his capital loss carryover by adding the disallowed \$3,000 deduction to the original \$4,000 carryover. He enters \$7,000 (\$3,000 + \$4,000) on line 3.

Line 4. The total on line 4 is the 2020 base year income with the NOL deduction allowed in full, with the 2020 capital loss deduction added back, plus the recomputed capital loss carryover. The amount John enters on line 4 is \$1,850 [(\$8,150) + \$3,000 + \$7,000].

Line 5. John enters the full \$7,000 net capital loss from the 2020 Schedule D, line 16.

Line 6. John subtracts the \$7,000 net capital loss from the amount on line 4. The result is negative \$5,150 (\$1,850 – \$7,000). This represents John’s base year 2020 income with the NOL deduction in full, after the adjusted capital loss. Next, John will add back the portion of the NOL deduction that can provide a benefit in another year.

Line 7. John figures how much of the NOL deduction will provide a benefit in another year by determining how much of the NOLD was absorbed by his 2020 income. He starts by adding the \$3,000 capital loss deduction back to the \$850 taxable income, for a total of \$3,850 in available income. From this amount, he subtracts the \$9,000 NOLD, arriving at (\$5,150). This is the unused amount of NOLD that John will carry forward to another year. John enters \$5,150 as a positive amount on line 7.

Line 8. John adds the (\$5,150) base year 2020 income from line 6 to the \$5,150 unused NOLD from line 7. The result is \$0. This is John’s base year 2020 income for FIA purposes.

John enters \$25,625 in the federal column and \$0 in the Oregon column on Schedule OR-FIA-COMP, Computation A for base year 2020, line 1.

John’s taxable income worksheet for base year 2020

1. 2020 income after subtractions from Form OR-40-P or OR-40-N, lines 34F and 34S.	1a. <u>\$25,625</u>	1b. <u>(\$8,150)</u>
2. 2020 capital loss deduction from federal Schedule D, line 21, as a positive amount.	2a. <u>\$3,000</u>	2b. <u>\$3,000</u>
3. Capital loss carryover from 2020 to 2021 as a positive amount.	3a. <u>\$4,000</u>	3a. <u>\$7,000</u>
4. Add lines 1, 2 and 3.	4a. <u>\$33,625</u>	4b. <u>\$1,850</u>
5. Net loss from 2020 federal Schedule D, line 16, as a positive amount.	5a. <u>\$7,000</u>	5b. <u>\$7,000</u>
6. Line 4 minus line 5.	6a. <u>\$25,625</u>	6b. <u>(\$5,150)</u>
7. NOL for 2020, as a positive amount, or if no NOL for 2020, unused portion of NOLD carried to 2020, if any, carried over to tax years after 2020, as a positive amount.	7a. <u>\$0</u>	7b. <u>\$5,150</u>
8. Line 6 plus line 7. This is your income after subtractions for 2020.	8a. <u>\$25,625</u>	8b. <u>\$0</u>

John’s worksheet for base year 2021. John’s federal income after subtractions for 2021 is \$32,500. His Oregon income after subtractions, including the deduction for the capital loss carryover from 2020, is (\$17,500). To arrive at the NOL amount of (\$14,500), the \$3,000 capital loss deduction is added back.

Here is how John will complete the Oregon column of his **taxable income worksheet for base year 2021**.

Line 1. John enters (\$17,500), his 2021 income after subtractions.

Line 2. John enters the \$3,000 capital loss deduction from his 2021 federal Schedule D, line 21.

Line 3. When John first completed the 2021 Schedule D, he had a capital loss carryover of \$4,000 from 2020 and a \$3,000 deduction on line 21. When John computed the NOL amount, he wasn’t allowed to claim the \$3,000 capital loss deduction. He recomputes the capital loss carryover by adding the disallowed \$3,000 deduction to the original \$4,000 carryover. He enters \$7,000 (\$3,000 + \$4,000) on line 3.

Line 4. The total on line 4 is the 2021 income after subtractions with the 2021 capital loss deduction added back, plus the recomputed capital loss carryover. The amount John enters is negative \$7,500 [(\$17,500) + \$3,000 + \$7,000].

Line 5. John enters the full \$7,000 net capital loss from the 2021 Schedule D, line 16.

Line 6. John subtracts the full \$7,000 net capital loss from the amount on line 4. The result is negative \$14,500 [(\$7,500) – \$7,000].

Line 7. John enters the 2021 NOL, \$14,500 as a positive number.

Line 8. John adds the (\$14,500) from line 6 to the \$14,500 NOL from line 7. The result is \$0. This is John's base year 2021 income for FIA purposes.

John enters \$32,500 in the federal column and \$0 in the Oregon column on Schedule OR-FIA-COMP, Computation A for base year 2021, line 1.

John's taxable income worksheet for base year 2021

1. 2021 income after subtractions from Form OR-40-P or OR-40-N, lines 34F and 34S. 1a. \$32,500 1b. (\$17,500)
2. 2021 capital loss deduction from federal Schedule D, line 21, as a positive amount. 2a. \$3,000 2b. \$3,000
3. Capital loss carryover from 2021 to 2022 as a positive amount. 3a. \$1,000 3a. \$7,000
4. Add lines 1, 2 and 3. 4a. \$36,500 4b. (\$7,500)
5. Net loss from 2021 federal Schedule D, line 16, as a positive amount. 5a. \$4,000 5b. \$7,000
6. Line 4 minus line 5. 6a. \$32,500 6b. (\$14,500)
7. NOL for 2021, as a positive amount, or if no NOL for 2021, unused portion of NOLD carried to 2021, if any, carried over to tax years after 2021, as a positive amount. 7a. \$0 7b. \$14,500
8. Line 6 plus line 7. **This is your FIA income after subtractions for 2021.** 8a. \$32,500 8b. \$0

FIA taxable income worksheets

Base year 2020

Part-year or nonresident return filed for 2020

1. 2020 income after subtractions from Form OR-40-P or OR-40-N, lines 34F and 34S. 1a. _____ 1b. _____
2. 2020 capital loss deduction from federal Schedule D, line 21, as a positive amount. 2a. _____ 2b. _____
3. Capital loss carryover from 2020 to 2021 as a positive amount. 3a. _____ 3a. _____
4. Add lines 1, 2, and 3. 4a. _____ 4b. _____
5. Net loss from 2020 federal Schedule D, line 16, as a positive amount. 5a. _____ 5b. _____
6. Line 4 minus line 5. 6a. _____ 6b. _____
7. NOL for 2020, as a positive amount, or if no NOL for 2020, unused portion of NOLD carried to 2020, if any, carried over to tax years after 2020, as a positive amount. 7a. _____ 7b. _____
8. Line 6 plus line 7. **This is your FIA income after subtractions for 2020.** 8a. _____ 8b. _____

Enter the amounts from lines 8a and 8b on Schedule OR-FIA-COMP, Base year 2020, Computation A or B, lines 1a and 1b.

Full-year return filed for 2020

1. 2020 taxable income, not limited to \$0. 1. _____
2. 2020 capital loss deduction from federal Schedule D, line 21, as a positive amount. 2. _____
3. Capital loss carryover from 2020 to 2021 as a positive amount. 3. _____
4. Add lines 1, 2, and 3. 4. _____
5. Net loss from 2020 federal Schedule D, line 16, as a positive amount. 5. _____

6. Line 4 minus line 5. 6. _____
7. NOL for 2020, as a positive amount, or if no NOL for 2020, unused portion of NOLD carried to 2020, if any, carried over to tax years after 2020, as a positive amount. 7. _____
8. Line 6 plus line 7. **This is your FIA taxable income for 2020.** 8. _____

Enter the amount from line 8 on Schedule OR-FIA-COMP, Base year 2020, Computation C, line 1.

FIA taxable income worksheets

Base year 2021

Part-year or nonresident return filed for 2021

1. 2021 income after subtractions from Form OR-40-P or OR-40-N, lines 34F and 34S. 1a. _____ 1b. _____
2. 2021 capital loss deduction from federal Schedule D, line 21, as a positive amount. 2a. _____ 2b. _____
3. Capital loss carry-over from 2021 to 2022 as a positive amount. 3a. _____ 3a. _____
4. Add lines 1, 2, and 3. 4a. _____ 4b. _____
5. Net loss from 2021 federal Schedule D, line 16, as a positive amount. 5a. _____ 5b. _____
6. Line 4 minus line 5. 6a. _____ 6b. _____
7. NOL for 2021, as a positive amount, or if no NOL for 2021, unused portion of NOLD carried to 2021, if any, carried over to tax years after 2022, as a positive amount. 7a. _____ 7b. _____
8. Line 6 plus line 7. **This is your FIA income after subtractions for 2021.** 8a. _____ 8b. _____

Enter the amounts from lines 8a and 8b on Schedule OR-FIA-COMP, Base year 2021, Computation A or B, lines 1a and 1b.

Full-year return filed for 2021

1. 2021 taxable income, not limited to \$0. 1. _____
2. 2021 capital loss deduction from federal Schedule D, line 21, as a positive amount. 2. _____
3. Capital loss carryover from 2021 to 2022 as a positive amount. 3. _____
4. Add lines 1, 2, and 3. 4. _____
5. Net loss from 2021 federal Schedule D, line 16, as a positive amount. 5. _____
6. Line 4 minus line 5. 6. _____
7. NOL for 2021, as a positive amount, or if no NOL for 2021, unused portion of NOLD carried to 2021, if any, carried over to tax years after 2021, as a positive amount. 7. _____
8. Line 6 plus line 7. **This is your FIA taxable income for 2021.** 8. _____

Enter the amount from line 8 on Schedule OR-FIA-COMP, Base year 2020, Computation C, line 1.

FIA taxable income worksheets

Base year 2022

Part-year or nonresident return filed for 2022

1. 2022 income after subtractions from Form OR-40-P or OR-40-N, lines 34F and 34S. 1a. _____ 1b. _____
2. 2022 capital loss deduction from federal Schedule D, line 21, as a positive amount. 2a. _____ 2b. _____
3. Capital loss carry-over from 2022 to 2023 as a positive amount. 3a. _____ 3a. _____
4. Add lines 1, 2, and 3. 4a. _____ 4b. _____
5. Net loss from 2022 federal Schedule D, line 16, as a positive amount. 5a. _____ 5b. _____
6. Line 4 minus line 5. 6a. _____ 6b. _____

7. NOL for 2022, as a positive amount, or if no NOL for 2022, unused portion of NOLD carried to 2022, if any, carried over to tax years after 2022, as a positive amount. 7a. _____ 7b. _____
8. Line 6 plus line 7. **This is your FIA income after subtractions for 2022.** 8a. _____ 8b. _____

Enter the amounts from lines 8a and 8b on Schedule OR-FIA-COMP, Base year 2022, Computation A or B, lines 1a and 1b.

Do you have questions or need help?

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

Contact us for ADA accommodations or assistance in other languages.

Full-year return filed for 2022

1. 2022 taxable income, not limited to \$0. 1. _____
2. 2022 capital loss deduction from federal Schedule D, line 21, as a positive amount. 2. _____
3. Capital loss carryover from 2022 to 2023 as a positive amount. 3. _____
4. Add lines 1, 2, and 3. 4. _____
5. Net loss from 2022 federal Schedule D, line 16, as a positive amount. 5. _____
6. Line 4 minus line 5. 6. _____
7. NOL for 2022, as a positive amount, or if no NOL for 2022, unused portion of NOLD carried to 2022, if any, carried over to tax years after 2022, as a positive amount. 7. _____
8. Line 6 plus line 7. **This is your FIA taxable income for 2022.** 8. _____

Enter the amount from line 8 on Schedule OR-FIA-COMP, Base year 2022, Computation C, line 1.