

2020 Schedule OR-FIA-COMP Instructions

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(Rev. 09-01-20)

Oregon Department of Revenue

Oregon Farm Income Averaging Computation of Tax

Instructions for Schedule OR-FIA-COMP

Purpose. Schedule OR-FIA-COMP is used to help compute your Oregon Farm Income average. This schedule is needed to complete Forms OR-FIA-40, OR-FIA-40-N, and OR-FIA-40-P.

Before you begin, you will need the amount from Form OR-FIA-40, line 6; Form OR-FIA-40-N, line 10; or Form OR-FIA-40-P, line 9.

On Schedule OR-FIA-COMP, complete either Computation A, B, or C for each tax year. You will use figures from Schedule OR-FIA-COMP to complete Form OR-FIA-40-N, lines 11 through 13; or Form OR-FIA-40-P, lines 10 through 12.

If you filed a nonresident or part-year return in 2017, 2018, or 2019, complete Schedule OR-FIA-COMP for Form OR-FIA-40, lines 8, 12, and 16.

If you were a part-year resident or a nonresident for 2017, 2018, or 2019 and if your income after subtractions for either federal or Oregon was zero or less for any of these three tax years, use the **FIA taxable income worksheets** to figure the amount to enter on Schedule OR-FIA-COMP, Computation A or B, line 1.

If you were a full-year resident with taxable income that was 0 or less for 2017, 2018, or 2019, use the **FIA taxable income worksheets** to figure the amount to enter on Schedule OR-FIA-COMP, Computation C, line 1.

NOL means *net operating loss* and applies to the year of the actual loss. **NOLD** means *net operating loss deduction* and applies to the year to which the NOL is carried.

Example: John owns a farm in Ontario, Oregon, but is a resident of Idaho. John files as a nonresident for Oregon each year. John didn't use farm income averaging for 2017, 2018, or 2019. For tax year 2020, John has elected farm income of \$18,000 on line 2 of Form OR-FIA-40-N. His 2017 income after subtractions shown on line 34 of Form OR-40-N is \$25,906 in the federal column and \$6,150 in the Oregon column.

John had an NOL for tax year 2018 of \$22,950 for Oregon only, which he elected to carry back two years. Of the \$22,950 loss, \$9,000 was carried back to tax year 2017 and completely absorbed. John combines the \$9,000 NOLD with his Oregon income after subtractions of \$6,150. The result is negative \$2,850 and is entered in the Oregon column on line 1(b) of the 2017 taxable income worksheet. John enters \$25,906 in the federal column on line 1(a) of the 2017 worksheet.

When John filed his 2017 federal tax return, he had a \$3,000 net capital loss deduction on Schedule D, line 21 (which was also entered on Form 1040, line 13), a \$7,000 loss on Schedule D, line 16, and a \$4,000 capital loss carryover to 2018. The

capital losses are not from Oregon sources. Since the NOL is for Oregon only, no adjustment is necessary for the capital loss deduction or for the capital loss carryover to 2018. John enters 0 in both columns on line 2 of the 2017 worksheet.

John had no net operating losses for tax year 2017 for either federal or Oregon. Because the NOL from 2018 is completely absorbed in 2017, there is no carryover to tax years after 2017. John enters 0 in both columns on line 3 of the worksheet. John adds the amounts on lines 1, 2, and 3, and enters the result, negative \$2,850, on line 4b of the worksheet. John adds 0 to the \$25,906 and enters the result, positive \$25,906, on line 4a of the worksheet. These figures represent John's recomputed federal and Oregon income after subtractions for tax year 2017. John enters both of these figures on Schedule OR-FIA-COMP, Computation A for tax year 2017, line 1, in the federal and Oregon columns.

For tax year 2018, John's income after subtractions is \$10,850 for federal and negative \$27,250 for Oregon. John enters \$10,850 on line 9a and negative \$27,250 on line 9b of the 2018 worksheet.

John had a \$3,000 net capital loss deduction on his 2018 Schedule D, line 21, and a \$7,000 loss on Schedule D, line 16, the carryover from 2017 to 2018. Because the NOL is for Oregon only, no adjustment is necessary on line 10a and no adjustment is made on line 10b since the capital loss deduction isn't an Oregon source. John enters 0 on lines 10a and 10b of the 2018 worksheet. John enters 0 on line 11a and the Oregon only NOL of \$22,950 on line 11b of the worksheet.

In the federal column on line 12a, John enters positive \$10,850. For the Oregon column, John adds \$22,950 from line 11b and negative \$27,250 from line 9b of the worksheet and enters negative \$4,300 on line 12b. These figures represent John's recomputed federal and Oregon income after subtractions for tax year 2018. John enters both of these figures on Schedule OR-FIA-COMP, Computation A, for tax year 2018, line 1, in the federal and Oregon columns.

For tax year 2019, John's income after subtractions isn't negative in either the federal or Oregon columns. Therefore, John can complete Schedule OR-FIA-COMP without using the worksheets.

Forms and additional resources

Visit our website at www.oregon.gov/dor/forms, to download:

- Current forms, instructions, and publications.
- Prior year forms and instructions.

Access Oregon tax forms and instructions on our website anytime, or contact us to order them.

Do you have questions or need help?

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

Contact us for ADA accommodations or assistance in other languages.

2017 FIA taxable income worksheets

Part-year or nonresident return for 2017

- | | Federal (a) | Oregon (b) |
|--|-------------|------------|
| 1. Figure income after subtractions, for federal and Oregon, from your 2017 Form OR-40-N or Form OR-40-P without limiting it to 0. Include any NOLD carryovers or carrybacks if you didn't have an NOL in 2017. Don't include any NOLD carryover or carryback from other years if you had an NOL in 2017. Enter the result here..... | 1a. _____ | 1b. _____ |
| 2. If there is a loss on your 2017 federal Schedule D, line 21, add that loss (as a positive amount) and your 2017 capital loss carryover to 2017. Subtract from that sum the amount of the loss on your 2017 federal Schedule D, line 16. Enter the result here | 2a. _____ | 2b. _____ |
| 3. If you had an NOL for 2017 for federal or Oregon, or both, enter amounts as a positive number in the appropriate column. Otherwise, enter as a positive amount the portion (if any) of the NOLD carryovers and carrybacks to 2017 that were not used in 2017 and were carried to tax years after 2017..... | 3a. _____ | 3b. _____ |
| 4. Add lines 1, 2, and 3 for each column. Enter the result here and on your 2020 Schedule OR-FIA-COMP, Tax Year 2017, Computation A or B, line 1..... | 4a. _____ | 4b. _____ |

Full-year return for 2017

5. Figure the taxable income from your 2017 tax return without limiting it to 0. Include any NOLD carryovers or carrybacks if you didn't have an NOL in 2017. Don't include any NOLD carryover or carryback from other years if you had an NOL in 2017. Enter the result here 5. _____
6. If there is a loss on your 2017 federal Schedule D, line 21, add that loss (as a positive amount) and your 2017 capital loss carryover to 2018. Subtract from that sum the amount of the loss on your 2017 federal Schedule D, line 16. Enter the result here 6. _____
7. If you had an NOL for 2017, enter it as a positive amount here. Otherwise, enter the portion (if any) of the NOLD carryovers and carrybacks to 2017 that weren't used in 2017 and were carried to tax years after 2017 as a positive amount here 7. _____
8. Add lines 5, 6, and 7. Enter the result here, and on your 2020 Schedule OR-FIA-COMP, Tax Year 2017, Computation C, line 1..... 8. _____

2018 FIA taxable income worksheets

Part-year or nonresident return for 2018

9. Figure income after subtractions, for federal and Oregon, from your 2018 Form OR-40-N or Form OR-40-P without limiting it to 0. Include any NOLD carryovers or carrybacks if you didn't have an NOL in 2018. Don't include any NOLD carryover or carryback from other years if you had an NOL in 2018. Enter the result here.....
- | | | |
|-----------|-------------|------------|
| | Federal (a) | Oregon (b) |
| 9a. _____ | | 9b. _____ |
10. If there is a loss on your 2018 federal Schedule D, line 21, add that loss (as a positive amount) and your 2018 capital loss carryover to 2019. Subtract from that sum the amount of the loss on your 2018 federal Schedule D, line 16. Enter the result here.....
- | | |
|------------|------------|
| 10a. _____ | 10b. _____ |
|------------|------------|
11. If you had an NOL for 2018 for federal or Oregon, or both, enter amounts as a positive number in the appropriate column. Otherwise, enter as a positive amount the portion (if any) of the NOLD carryovers and carrybacks to 2018 that weren't used in 2018 and were carried to tax years after 2018
- | | |
|------------|------------|
| 11a. _____ | 11b. _____ |
|------------|------------|
12. Add lines 9, 10, and 11. Enter the result here and on your 2020 Schedule OR-FIA-COMP, Tax Year 2018, Computation A or B, line 1.....
- | | |
|------------|------------|
| 12a. _____ | 12b. _____ |
|------------|------------|

Full-year return for 2018

13. Figure the taxable income from your 2018 tax return without limiting it to 0. Include any NOLD carryovers or carrybacks if you didn't have an NOL in 2018. Don't include any NOLD carryover or carryback from other years if you had an NOL in 2018. Enter the result here
13. _____
14. If there is a loss on your 2018 federal Schedule D, line 21, add that loss (as a positive amount) and your 2018 capital loss carryover to 2019. Subtract from that sum the amount of the loss on your 2018 federal Schedule D, line 16. Enter the result here
14. _____
15. If you had an NOL for 2018, enter it as a positive amount here. Otherwise, enter the portion (if any) of the NOLD carryovers and carrybacks to 2018 that weren't used in 2018 and were carried to tax years after 2018 as a positive amount here
15. _____
16. Add lines 13, 14, and 15. Enter the result here, and on your 2020 Schedule OR-FIA-COMP, Tax Year 2018, Computation C, line 1
16. _____

2019 FIA taxable income worksheets

Part-year or nonresident return for 2019

17. Figure income after subtractions, for federal and Oregon, from your 2019 Form OR-40-N or Form OR-40-P without limiting it to 0. Include any NOLD carryovers or carrybacks if you didn't have an NOL in 2019. Don't include any NOLD carryover or carryback from other years if you had an NOL in 2019. Enter the result here..... 17a. _____ 17b. _____
- | | | |
|--|-------------|------------|
| | Federal (a) | Oregon (b) |
|--|-------------|------------|
18. If there is a loss on your 2019 federal Schedule D, line 21, add that loss (as a positive amount) and your 2019 capital loss carryover to tax year 2020. Subtract from that sum the amount of the loss on your 2019 federal Schedule D, line 16. Enter the result here..... 18a. _____ 18b. _____
19. If you had an NOL for 2019 for federal or Oregon, or both, enter amounts as a positive number in the appropriate column. Otherwise, enter as a positive amount the portion (if any) of the NOLD carryovers and carrybacks to 2019 that were not used in 2019 and were carried to tax years after 2019..... 19a. _____ 19b. _____
20. Add lines 17, 18, and 19. Enter the result here and on your 2020 Schedule OR-FIA-COMP, Tax Year 2019, Computation A or B, line 1..... 20a. _____ 20b. _____

Full-year return for 2019

21. Figure the taxable income from your 2019 tax return without limiting it to 0. Include any NOLD carryovers or carrybacks if you didn't have an NOL in 2019. Don't include any NOLD carryover or carryback from other years if you had an NOL in 2019. Enter the result here..... 21. _____
22. If there is a loss on your 2019 federal Schedule D, line 21, add that loss (as a positive amount) and your 2019 capital loss carryover to 2020. Subtract from that sum the amount of the loss on your 2019 federal Schedule D, line 16. Enter the result here 22. _____
23. If you had an NOL for 2019, enter it as a positive amount here. Otherwise, enter the portion (if any) of the NOLD carryovers and carrybacks to 2019 that weren't used in 2019 and were carried to tax years after 2019 as a positive amount here 23. _____
24. Add lines 21, 22, and 23. Enter the result here, and on your 2020 Schedule OR-FIA-COMP, Tax Year 2019, Computation C, line 1 24. _____