

2025 Schedule OR-NRC

Page 1 of 3, 150-104-003
(Rev. 06-03-25, ver. 01)

Oregon Department of Revenue



17522501010000

Office use only

Oregon Natural Resource Credit

Submit original form – do not submit photocopy.

● Decedent first name	● Initial	● Decedent last name	Decedent Social Security number (DSSN): Estate
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Part 1. Qualifying natural resource or commercial fishing business property, is 50 percent or more of the adjusted gross estate, which doesn't exceed \$15 million (ORS 118.140). To determine your adjusted gross estate, go to part 5 of this schedule. Real property must be in Oregon per ORS 118.140(1)(L). Check all boxes below which apply to this estate:

- Farm use defined in ORS 308A.056 ● Farm use defined in ORS 308A.250
- Forestland defined in ORS 321.201 ● Forestland defined in ORS 308A.250
- Property used in commercial fishing business, as defined by IRC 1301(b)(4), and licensed under ORS 508
- Property of a commercial fishing business licensed under ORS chapter 508, that is used to process and sell the catch to consumers, including a restaurant with seating capacity of less than 15

The credit isn't valid unless parts 1–5 are completed:

- a. Part 4 must be signed by each qualified heir with an interest in the natural resource or commercial fishing business property; and
- b. The completed Schedule OR-NRC is filed with Form OR-706, *Oregon Estate Transfer Tax Return*, 150-104-001.

Part 2. Description of property. List all natural resource and commercial fishing business property owned by the estate, even if you're not claiming the natural resource credit for all natural resource properties. All properties listed below must also be listed on the applicable schedules filed with Form OR-706. Complete all columns.

- If you claim an operating allowance, it may not exceed the lesser of \$1 million or 15 percent of the total value of natural resource property claimed for this credit, not including the operating allowance.
- Include a legal description of all property described in column B.
- Include copies of fee appraisals used to determine date of death property values listed in column C and any other documents used to establish date of death value.

● A. Schedule and item no. from Form OR-706	● B. Description of the qualifying property and date when property was acquired	● C. Fair market value as reported on Form OR-706 schedules	● D. Value of qualifying property on which the credit is calculated
Column totals		● .00	● .00
		● .00	● .00
		● .00	● .00
		● .00	● .00
		● .00	● .00
		● .00	● .00

Part 3. Qualified heir(s). Identify each qualified heir receiving an interest in property upon which the credit is calculated. "Qualified heir" is a member of a decedent's family as defined in Section 2032A and/or the decedent's registered domestic partner, defined in chapter 106. Include additional pages if more lines are needed. The executor/administrator of this estate will provide a complete copy of this Schedule OR-NRC to each of the qualified heir(s) identified below.

● 1. First name	● Initial	● Last name	● SSN	● FEIN

● Entity

● Address	● City	● State	● ZIP code
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● Relationship to decedent	● FMV or heir's portion of qualified property	● .00
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● 2. First name	● Initial	● Last name	● SSN	● FEIN

● Entity

● Address	● City	● State	● ZIP code
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● Relationship to decedent	● FMV or heir's portion of qualified property	● .00
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● Decedent first name ● Initial ● Decedent last name

, Estate

Decedent SSN: - -

Part 4. Valid election. Natural resource or commercial fishing business property credit.

We (list the qualified heirs having an interest in the natural resource or commercial fishing business property)

are the qualified heirs having interest in the natural resource or commercial fishing business property. We approve of the election made by

executor/administrator of the estate of

We, the qualified heirs, understand ORS 118.140 requires the following conditions be met:

1. The qualified heir must use the property as a natural resource property or commercial fishing business property for which a credit is elected for at least five out of eight calendar years following the decedent's death to qualify for the credit.
2. The heir who inherits the natural resource property will file the Form OR-NRC-CERT, *Annual Certification for Oregon Natural Resource Credit*, with the department each year, due on April 15th. With the annual certification form the heir certifies continued qualified use of the property according to ORS 118.140.
3. During the five out of eight calendar years required use period, described in number 1 above, the qualified heir may transfer the natural resource or commercial fishing business property to another qualified heir who is eligible for the credit. Upon transfer of property to a qualified heir, file Form OR-706-R; transfer to a qualified heir generally results in no additional tax, however the OR-706-R is required to be filed for reporting purposes.
4. If the heir doesn't use the property as a natural resource or commercial fishing business property for five out of eight calendar years following the decedent's death, or the heir disposes of the property, an additional tax under ORS 118.005 to 118.540 may be due from the heir.
 - a. The additional tax liability will be the amount of additional tax that would have been imposed had the disqualifying property value not been included in the natural resource credit calculation multiplied by [(five minus the number of years the property was used as natural resource property) divided by five].
 - b. Form OR-706-R, will be required from the heir and the additional estate transfer tax paid within six months after the disqualifying event occurs.
5. The estate may not claim both the ORS 118.140 tax credit and the ORS 118.145 exemption.

The signature of each qualified heir, or each trustee of a trust, is required for a valid election:

<hr/> <p>(Signature of qualified heir)</p>	/ / <hr/> <p>Date (MM/DD/YYYY)</p>
<hr/> <p>(Signature of qualified heir)</p>	/ / <hr/> <p>Date (MM/DD/YYYY)</p>
<hr/> <p>(Signature of qualified heir)</p>	/ / <hr/> <p>Date (MM/DD/YYYY)</p>
<hr/> <p>(Signature of qualified heir)</p>	/ / <hr/> <p>Date (MM/DD/YYYY)</p>
<hr/> <p>(Signature of qualified heir)</p>	/ / <hr/> <p>Date (MM/DD/YYYY)</p>
<hr/> <p>(Signature of qualified heir)</p>	/ / <hr/> <p>Date (MM/DD/YYYY)</p>

Include additional pages if more signature lines are needed. If all of the qualified heirs can't sign the same page, it is acceptable to have a separate signature page for each heir.

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17522501030000

● Decedent first name ● Initial ● Decedent last name

, Estate

Decedent SSN: - -

Part 5. Worksheet for your natural resource credit Schedule OR-NRC.

1. Total gross estate (Form OR-706, part 2, line 1) ● 1. . 00
2. Less:
 - a. Schedules J and K (Form OR-706, part 5, line 516) ● 2a. . 00
 - b. Schedule L (Form OR-706, part 5, lines 518 and 519) ● 2b. . 00
3. Total adjusted gross estate (subtract 2a and 2b from line 1) ● 3. . 00

Stop if this amount is more than \$15 million; you don't qualify for the credit.

4. Oregon gross estate (Form OR-706, part 2, line 6) ● 4. . 00
5. Less:
 - a. Schedules J and K, as deductions relate to Oregon gross estate, (Form OR-706, part 5, line 516) ● 5a. . 00
 - b. Schedule L, as deductions relate to Oregon gross estate, (Form OR-706, part 5, lines 518 and 519) ● 5b. . 00
6. Oregon adjusted gross estate (subtract 5a and 5b from line 4) ● 6. . 00
7. Value of all eligible natural resource or fishing property. (Schedule OR-NRC, part 2, column C total) ● 7. . 00
8. Oregon natural resource property percentage (divide line 7 by line 6 and multiply by 100; round to four decimal places) ● 8. . %

Stop if this percentage is less than 50 percent; you don't qualify for the credit.

9. Value of Oregon natural resource property on which the credit is calculated (Schedule OR-NRC, part 2, column D total; **don't enter more than \$7.5 million**) ● 9. . 00
10. Divide line 9 by line 3 (round to four decimal places) ● 10. . 0 . . 00
11. Estate tax payable to Oregon (Form OR-706, part 2, line 8) ● 11. . 00
12. Oregon natural resource credit (multiply line 11 by 10). Enter on Form OR-706, part 2, line 9 ● 12. . 00

Example

The estate has a total gross estate of \$4,225,000; assets in Oregon are valued at \$1,450,000. The remaining assets and real property are outside of Oregon. The Oregon Natural Resource property has a gross value of \$900,000. Schedule J and K expenses are \$135,000, of which \$46,000 relates to the Oregon portion of the estate. Schedule L expenses of \$90,000 relate to a mortgage on out of state property. The Oregon estate tax, Form OR-706, part 2, line 8, is \$99,558.

1. Total gross estate (Form OR-706, part 2, line 1) 1. \$ 4,225,000
2. Less:
 - a. Schedules J and K (Form OR-706, part 5, line 516) 2a. 135,000
 - b. Schedule L (Form OR-706, part 5, lines 518 and 519) 2b. 90,000
3. Total adjusted gross estate (subtract 2a and 2b from line 1) 3. 4,000,000
- Stop if this amount is more than \$15 million; you do not qualify for the credit.**
4. Oregon gross estate (Form OR-706, part 2, line 6) 4. 1,450,000
5. Less:
 - a. Schedules J and K, as deductions relate to Oregon gross estate, (Form OR-706, part 5, line 516) 5a. 46,000
 - b. Schedule L, as deductions relate to Oregon gross estate, (Form OR-706, part 5, lines 518 and 519) 5b. 0
6. Oregon adjusted gross estate (subtract 5a and 5b from line 4) 6. 1,404,000
7. Value of all eligible natural resource or fishing property. (Schedule OR-NRC, part 2, column C total) 7. 900,000
8. Oregon natural resource property percentage (divide line 7 by line 6 and multiply by 100; round to four decimal places) 8. 64.1000%
- Stop if this percentage is less than 50 percent; you don't qualify for the credit.**
9. Value of Oregon natural resource property on which the credit is calculated (Schedule OR-NRC, part 2, column D total; **don't enter more than \$7.5 million**) 9. 900,000
10. Divide line 9 by line 3 (round to four decimal places) 10. 0.2250
11. Estate tax payable to Oregon (Form OR-706, part 2, line 8) 11. 99,558
12. Oregon natural resource credit (multiply line 11 by 10). Enter on Form OR-706, part 2, line 9 12. 22,401

Include pages 1, 2 and 3 of this schedule with Form OR-706 and provide a complete copy of Schedule OR-NRC to each qualified heir identified in part 3.