

2016 Schedule OR-REZT

Page 1 of 1, 150-102-046 (Rev. 10-16) Oregon Department of Revenue



Office use only

Reservation Enterprise Zone Tax Credit

Submit original form—do not submit photocopy.

Legal name of taxpayer (as shown on return)

Federal employer identification number (FEIN)

Social Security number (SSN)

This publication is a guide, not a complete statement, of Oregon Revised Statutes (ORS) or Oregon Administrative Rules (OAR). Visit www.oregonlegislature.gov and sos.oregon.gov.

Oregon law allows a credit for tribal taxes paid or incurred against the taxes that are otherwise due under ORS Chapter 316, or, if the taxpayer is a corporation, under ORS Chapter 317 or 318, to an eligible business operating a new business facility in a reservation enterprise zone (ORS 285C.300–285C.320). To compute the allowable credit, complete this schedule.

A. Check the box if this is a new business facility acquired (bought or leased, or construction or installation completed) on or after January 1, 2002 (and you are not leasing the facility to someone else).....

If you didn't check the box on line A, you aren't eligible for the credit.

B. What was the business activity (if any) of the business facility within the reservation before you acquired it?

C. What is the current business activity of the new business facility?.....

1. Enter amount of 1a or 1b..... 1. \$.00

a. Amount of tribal property tax imposed on a new business facility that is paid or incurred by the eligible business during the income or corporate excise tax year, or

b. Amount of all tribal tax paid or incurred by the eligible business during the income or corporate excise tax year if the eligible business has not previously conducted business within the reservation enterprise zone.

2. Enter the Oregon tax liability for the year..... 2. \$.00

3. Allowable credit (lesser of line 1 or line 2). Enter this amount as a credit on your Oregon individual or corporation tax return..... 3. \$.00



Instructions for Schedule OR-REZT

Reservation Enterprise Zone Tax Credit

Instructions

2016

A tax credit is available to an eligible business for tribal tax paid or incurred when operating a qualified new business facility conducting revenue producing operations within a reservation enterprise zone.

“Tribal tax” includes, but is not limited to, an income or excise tax, an ad valorem property tax, a gross receipts tax, or a sales and use tax.

What qualifies a business to claim this credit?

To qualify, a new business facility must be acquired on or after January 1, 2002, be located within a reservation enterprise zone, and be operating a revenue producing enterprise, other than leasing the facility to another person. Tribal designation of a reservation enterprise zone is certified by the Oregon Business Development Department (dba Business Oregon).

The following do not qualify:

- A facility that is used in the same enterprise as it was previously used.
- Property that replaces existing property that does not expand the capacity of the enterprise.
- Activities as a lessor.

Who may claim the credit?

Eligible businesses located in Oregon reservation enterprise zones may claim the credit. The credit is available to individuals, partnerships, and corporations.

How is the credit computed?

The amount of the credit is:

- The amount of tribal property tax imposed on a new business facility of an eligible business that is paid or incurred during the year; or
- The amount of tribal tax paid or incurred by the eligible business during the year, if the eligible business has not previously conducted business operations within the reservation enterprise zone.

The credit is based on the applicable tribal tax paid or incurred during the personal income or corporation excise or income tax year.

The credit may not exceed the tax liability of the taxpayer and may not be carried forward to a succeeding year.

Corporations. The credit is claimed on *Oregon Schedule OR-ASC-CORP*, (150-102-033).

Nonresident and part-year resident personal income taxpayers who meet the eligibility requirements may receive a credit. The credit must be multiplied by the Oregon percentage on Form OR-40-N or OR-40-P (ORS 316.117).

If a change in the taxable year of a taxpayer occurs as described in ORS 314.085, or if the Department of Revenue terminates the taxpayer’s taxable year under ORS 314.440, the credit allowed under this section shall be prorated or computed in a manner consistent with ORS 314.085. Keep a schedule of your computations with this schedule.

Is the schedule included with the tax return when filed?

Corporations. Include a copy of this schedule with your return and also keep a copy for your records.

Individuals and partnerships. Do not include the schedule with your tax return. Keep the completed schedule with your tax records. Upon audit or examination, make the information available to the department to verify any credit claimed.

When may the credit be claimed?

The credit may be claimed for the tax year in which the new business facility is placed in service, beginning on or after January 1, 2002, and before January 1, 2018.

To determine if you qualify for this credit, contact the Oregon Business Development Department (doing business as Business Oregon).

Taxpayer assistance

Do you have questions or need help?

www.oregon.gov/dor
 (503) 378-4988 or 1 (800) 356-4222
questions.dor@oregon.gov

Contact us for ADA accommodations or assistance in other languages.

Oregon Business Development Department:

Internet www.oregon4biz.com
 Telephone 503-986-0123