

## WORKERS' COMPENSATION INSURANCE TAX CREDIT

|                                       |   |                                      |          |
|---------------------------------------|---|--------------------------------------|----------|
| Name of taxpayer (as shown on return) | Federal employer identification number (FEIN) | Business identification number (BIN) | Tax year |
|---------------------------------------|---|--------------------------------------|----------|

Insurance companies that write workers' compensation insurance receive a credit against the insurance excise tax. The credit is the lesser of the workers' compensation premium assessment or the excise tax on the profit attributable to the workers' compensation line of business (ORS 317.122). To compute the workers' compensation credit, complete this worksheet. **Refer to the Property and Casualty Annual Report when filling out the worksheet.**

### Credit Worksheet (Lines 1–20)

1. Workers' compensation profit (loss) from page Supp 6, Insurance Expense Exhibit, Part II, line 16, column 41 ..... 1

### Additions

2. State income tax (all jurisdictions). Any amounts based on income and included on page Supp 6, line 16, column 25 ..... 2

3. Penalty interest received by insurer from prepayment of loans. Any amounts not included in calculating the amounts on page 4 of the annual statement and relating to workers' compensation ..... 3

4. Realized gain (loss) from sale or exchange of nonadmitted assets and related items. Amounts included in page 4 of the annual statement, line 27 and relating to workers' compensation ..... 4

5. Decrease in mandatory reserves for workers' compensation. Enter the difference between the current year and prior year amounts ..... 5

6. Decreases in reserves for workers' compensation of prior years from changes in basis or method and not included in the Statement of Income. Reserve changes taken directly to surplus on page 4 of annual statement as write-ins for line 37 relating to workers' compensation ..... 6

7. Total additions (add lines 2 through 6) ..... 7

### Subtractions

8. Additional depreciation taken as a subtraction on Form 20-INS, relating to workers' compensation. See Form 20-INS, Insurance Excise Tax instructions ..... 8

9. Amortized portion of service credits made to qualified employee plans or trusts relating to workers' compensation. See Form 20-INS, Insurance Excise Tax instructions ..... 9

10. Increase in mandatory reserves for workers' compensation. See additions line 5 ..... 10

11. Increases in reserves of prior years from changes in basis or method and not included in the Statement of Income. See additions line 6 ..... 11

12. Total subtractions (add lines 8 through 11) ..... 12

13. Total workers' compensation income (line 1 plus line 7, minus line 12) ..... 13

14. Oregon apportionment percentage (from Schedule AP-1, line 22) ..... 14

15. Oregon workers' compensation income before net loss deduction (line 13 times line 14) ..... 15

16. Oregon workers' compensation net losses available from prior years ..... 16

17. Net Oregon workers' compensation taxable income (line 15 minus line 16) ..... 17

18. Oregon corporate excise tax on workers' compensation income (line 17 times corporate tax rate; see current year corporation excise tax return for percentage) ..... 18

19. Oregon workers' compensation premium assessment paid during tax year (ORS 656.612) ..... 19

20. Your Oregon workers' compensation tax credit is the lesser of lines 18 or 19. For tax years 2012 and later, enter this amount on Oregon *Schedule ASC-CORP* as Other credit code 812. For tax years 2011 and prior, enter directly on Form 20-INS ..... 20