

2021 Legislative Changes Made in Senate Bill 164

The Oregon Legislature made several changes to the Corporate Activity Tax (CAT) in the 2021 session. Governor Brown signed Senate Bill (SB) 164 into law on July 19, 2021. The changes made by SB 164 will go into effect September 25, 2021, and generally apply to tax years that begin on or after January 1, 2021.

The following is a brief overview of the main changes made with SB 164. The full text can be found at [SB 164](#), 2021 Regular Session. These changes will necessitate amendments to existing rules and adoption of new rules and guidance. The CAT team is working to identify and make these changes. More information will be provided as changes are made and will be distributed via the CAT mailing list and published on the Revenue website.

Fiscal Year Filing Provisions

- Adds fiscal year filing for CAT taxpayers who use a fiscal tax year other than the calendar year for federal tax purposes under Internal Revenue Code Subsection 441.
- For tax year ending during 2021, requires CAT taxpayers using a fiscal tax year other than the calendar year to file a short-year return covering January 1, 2021 through the end of their fiscal tax year.
- Short year returns for 2021 are due no later than April 15, 2022.
- Changes return filing due date to the 15th day of the fourth month following the end of the tax year.
- Changes the due dates for estimated payments to the fourth, seventh, and 10th months of the tax year and the first month following the end of the tax year.

New Provisions for Vehicle Dealers

- Expands the dealer trade exclusion to also exclude the exchange of new vehicles between franchised vehicle dealerships.
- Clarifies provisions for vehicle dealerships to collect an estimated portion of CAT attributable to the lease of a vehicle.

Exclusion From Commercial Activity for Consignment Sale of Groceries

- Clarifies the grocery exclusion to include sales by consignee retailers operating under a consignment model.

Exclusion From CAT of Foreign and Alien Insurance Companies Subject to Oregon Retaliatory Taxes

- Adds an exclusion from CAT for foreign or alien insurers subject to the retaliatory tax.

Other Provisions

- Clarifies reporting entity within unitary group responsible for registering, filing returns, and paying tax.
- Changes the filing deadline for closed or sold businesses.
- Modifies exclusion from commercial activity for residential care facilities with respect to certain receipts.