OREGON DEPARTMENT OF REVENUE

Tax Year 2024

Oregon Personal Income Tax Statistics

Characteristics of Taxpayers

2026 Edition: Tax Year 2024

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Oregon
Personal Income
Tax Statistics

Characteristics of Taxpayers

2026 Edition
Tax Year 2024

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Table of Contents

Page

Page

List of Exhibits

Page

Page

Page

Page

Section 4.6: County Level Data

Appendix A: Two Percent Surplus Refund (Kicker) History

Section 1: Introduction

Oregon's largest source of tax revenue is the personal income tax, and it is forecasted[1] to account for about 84 percent of the General Fund for the 2025–27 biennium. Because it is the state's primary revenue source for discretionary spending, information about this tax program is valuable to businesses, government officials, policymakers, taxpayers, and the general public.

This annual report presents statistical summaries of information about the personal income tax system and provides a foundation for understanding the characteristics of Oregon's personal income taxpayers.

This edition of *Oregon Personal Income Tax Statistics* provides detailed statistics based on tax year 2024 income tax returns received by the Oregon Department of Revenue in the 2025 calendar year. Also included in the report are comparisons of tax year 2024 personal income tax statistics to previous tax years back to 2013.

The document contains the following main sections:

- *Highlights:* Showcases selected high-level statistics with a comparison between the 2023 and 2024 tax years and points out some distinguishing features of the tax year 2024 return data.
- *Personal Income Tax Calculation:* Explains how personal income tax is calculated and includes a diagram outlining its main components.
- *Characteristics of Taxpayers:* Provides a historical summary of returns, information from the components of the federal and Oregon tax return forms, information on part-year resident and nonresident returns, and county-level data.

[1]The source of the most recent forecast, as of date the of this publication, is the Oregon Office of Economic Analysis' Economic and Revenue Forecast at https://www.oregon.gov/das/oea/Documents/OEA-Forecast-0626.pdf

- *Appendices:*

  A: Discusses the surplus refund (kicker) and historical data for 1979 through 2024.

  B: Provides additional discussion about return data, data validation, and statistical reporting.

  C: Contains a glossary of terms used in this report; however, the glossary is not an exhaustive list of terms and definitions related to Oregon's personal income tax. See *Publication OR-17, Oregon Individual Income Tax Guide, 2024* for a complete listing with additional information at the following link: www.oregon.gov/dor/forms.

The data presented in this report includes only people who have filed an Oregon personal income tax return. Some people may have received income, but their taxable income is below the threshold required to file an Oregon personal income tax return; therefore, the data does not provide a complete picture of all income earned by Oregonians and nonresidents with Oregon-sourced income.

Actual tax receipts may vary from numbers in this report because some filers failed to pay their full Oregon tax liability or paid after 2025. The report does not include information from returns received after December 2025. Returns received after this date can be from audits, amended tax returns, or late original returns. Only a small portion of the over 2 million returns received per tax year are received in the years following the year when returns are originally due.

Additional information about Oregon's personal income tax, such as publications and forms, are found on the following Oregon Department of Revenue webpages:

www.oregon.gov/dor/stats

- The history of Oregon tax law, personal income brackets, tax rates, standard deduction, and personal exemption deduction and credit through the years.
- Detailed tables on the statistics of Oregon personal income tax for tax year 2024 and previous years, as well as past personal income tax statistics reports.
- Information about adjustments, deductions, subtractions, and credits within the *State of Oregon 2025–27 Tax Expenditure Report*.

www.oregon.gov/dor/forms

- Personal income tax filing requirements and a complete list with descriptions of types of taxable and nontaxable income, federal adjustments, and Oregon additions, subtractions, and credits within *Publication OR-17, Oregon Individual Income Tax Guide*, 2023 edition and previous yearly editions.
- Personal income tax forms and instructions for current and previous tax years.

Section 2: Highlights

This section gives an overview of Oregon personal income tax returns received for tax year 2024 as presented in **Exhibit 1**. A return is associated with only one filer. For joint returns, the person listed first on the tax return is the filer. This information focuses on the total number of returns filed, those filed electronically, Oregon adjusted gross income, taxable income, and tax liability reported on returns for full-year residents, part-year residents, and nonresidents.

Exhibit 1 Oregon Personal Income Tax Selected Statistics
Tax Years 2023 and 2024

Return Data Item	Tax Year 2023	Tax Year 2024	% Change 2023 to 2024
Number of Returns - Full-Year Resident	1,928,700	1,927,360	-0.1%
Number of Returns - Part-Year and Nonresident	324,020	312,140	-3.7%
Number of Returns - All Returns	2,252,710	2,239,500	-0.6%
Electronically Filed Returns - Full-Year Resident	1,807,160	1,818,850	0.6%
Electronically Filed Returns - Part-Year and Nonresident	304,860	295,350	-3.1%
Electronically Filed Returns - All Returns	2,112,030	2,114,200	0.1%
Oregon AGI* ($ billions) - Full-Year Resident	$171.8	$185.4	7.9%
Oregon AGI* ($ billions) - Part-Year and Nonresident	$13.7	$14.3	4.5%
Oregon AGI* ($ billions) - All Returns	$185.5	$199.7	7.7%
Taxable Income* ($ billions) - Full-Year Resident	$140.0	$150.9	7.8%
Taxable Income* ($ billions) - Part-Year and Nonresident	$12.8	$13.4	4.7%
Taxable Income* ($ billions) - All Returns	$152.7	$164.2	7.5%
Tax Liability* ($ billions) - Full-Year Resident	$10.9	$11.9	8.6%
Tax Liability* ($ billions) - Part-Year and Nonresident	$1.0	$1.0	4.8%
Tax Liability* ($ billions) - All Returns	$11.9	$12.9	8.3%
Average Oregon AGI ($) - Full-Year Resident	$89,090	$96,210	8.0%
Average Oregon AGI ($) - Part-Year Nonresident	$42,230	$45,810	8.5%
Average Oregon AGI ($) - All Returns	$82,350	$89,190	8.3%
Average Tax Liability ($) - Full-Year Resident	$5,660	$6,160	8.8%
Average Tax Liability ($) - Part-Year Nonresident	$2,940	$3,200	8.8%
Average Tax Liability ($) - All Returns	$5,270	$5,750	9.1%
Effective Tax Rate** - Full-Year Resident	6.36%	6.40%	0.7%
Effective Tax Rate** - Part-Year Nonresident	6.96%	6.98%	0.3%
Effective Tax Rate** - All Returns	6.40%	6.44%	0.6%

*See glossary of terms in Appendix C.
**Tax liability divided by adjusted gross income.

Even though the total number of returns filed for tax year 2024 decreased slightly from that of 2023, the major components of Oregon's personal income tax, i.e., adjusted gross income, Oregon taxable income, and tax liability all increased both in average per return and total amount by 7 to 9 percent for all returns.

Some additional highlights are:

- Tax year 2024 was the first year that taxpayers could fill out a voluntary survey when they filed their tax return, which provided information about their race and ethnicity. With only one year of data, and about a 5 percent response rate, it is too early to provide any results.
- For taxpayers filing part-year returns, tax year 2024 was the first year since 2020 that more taxpayers moved into Oregon than moved out of Oregon. About 700 more taxpayers moved into Oregon than moved out. See Exhibit 42.
- There is a new exhibit which shows the federal AGI reported on part-year returns and compares that for taxpayers moving into Oregon to that for taxpayers moving out of Oregon. Even though for tax year 2024 there are slightly more taxpayers moving into Oregon than out, there is still more income reported by those taxpayers leaving Oregon. See Exhibit 46.

Section 3: Personal Income Tax Calculation

Calculating Oregon's personal income tax starts at the federal level as shown in the diagram in **Exhibit 2**. This diagram is a visual representation of the income tax calculation as it relates to full-year resident returns. This section discusses the components of the calculation, provides examples, and presents additional information.

Exhibit 2 How Oregon Personal Income Tax is Calculated

Step 1 (1040) Calculate Federal Adjusted Gross Income (AGI)	Federal Income	-	Federal Adjustments	=	Federal AGI			
Step 2 (OR-40) Calculate Oregon Taxable Income	Federal AGI	+	Oregon Additions	-	Oregon Subtractions and Deductions	=	Oregon Taxable Income
Step 3 Calculate Total Oregon Tax	Oregon Taxable Income	X	Tax Rates	=	Total Tax*			
Step 4 Calculate Tax Liability	Total Tax*	-	Oregon Credits	=	Tax Liability			
Step 5 Calculate Payment or Refund	Tax Liability	-	Withholding, Estimated Payments and PTE-E Tax Refunds	=	Payment or Refund			

*For a small number of filers, Total Tax includes interest on installment sales, farm capital gains taxed at 5 percent, taxes calculated from income averaging, or qualified business income from pass-through entities taxed at reduced rates.

Federal Connection

The connection to the federal definition of taxable income makes the tax easier for the state of Oregon to administer. Using the same definition of income also helps simplify the Oregon tax return and reduces the number of calculations filers need to make.

However, Oregon tax policy deviates in many instances from the federal tax definition of taxable income to arrive at Oregon taxable income. These deviations are incorporated into the tax calculation in the form of additions and subtractions. Additions are elements that represent income not taxed by the federal government but taxed by Oregon and federal deductions from AGI that Oregon does not allow. Subtractions represent income taxed by the federal government but not taxed by Oregon, as well as Oregon deductions from AGI that are not allowed at the federal level. Oregon currently has a "rolling reconnect" where Oregon's definition of taxable income will automatically change with federal changes unless the Legislature explicitly disconnects from a particular federal tax policy.

Filing Requirements

A single person or married persons who have income may not have to file an Oregon personal income tax return if their gross income is below a certain amount. A taxpayer is an individual or individuals represented by a return. In the case of joint returns, there are two taxpayers represented: the filer and the spouse. Oregon registered domestic partners (RDPs) are required to file as married filing jointly or married filing separately. Dependents listed on taxpayers' returns are not considered taxpayers unless they file their own Oregon personal income tax return. **Exhibit 3** shows the level of gross income (federal income before applying adjustments) for which a taxpayer is required to file a full-year Oregon personal income tax return (Form OR-40) based on their filing status. People with any Oregon income tax withheld from wages are always required to file an Oregon tax return, regardless of income level.

Exhibit 3 Minimum Filing Requirements for Full-Year Residents
Tax Year 2024

Filing Status	Gross Income More Than*
Single	$7,710
Married filing jointly	$15,425
Married filing separately	$7,710
Head of household	$9,665
Qualifying surviving spouse	$10,740
Can be claimed as a dependent	$1,300

*Amounts are larger for those over 65 and/or blind.

Components of Tax Calculation

The following sections show examples of components of the tax calculation in the order presented in the diagram in Exhibit 2.

Federal Income (Form 1040). Federal income is the gross income people receive from all sources in the form of money, goods, property, and services that are not exempt from federal income tax, including any income from sources outside the United States. Federal income is reported on Form 1040.

Examples of federal income types:

- Salaries and wages
- Interest
- Dividends
- State income tax refunds (if deductions were itemized in the prior year)
- Alimony received
- Business income/loss
- Farm income/loss
- Capital gains/losses
- Rental income
- Royalties
- Partnership income/loss
- S corporation income/loss
- Estate and trust income/loss
- Unemployment compensation
- Social Security income
- Retirement plan distributions

See Exhibits 23 and 24 in Section 4.4 for further information on federal income.

Federal Adjustments (Form 1040). Adjustments are elements on the federal Form 1040 that are deductions (often referred to as above-the-line deductions) that all filers are allowed to take if they qualify, including those who claim the standard deduction. Examples of federal adjustments:

- IRA, SIMPLE, and SEP contributions
- Self-employment health insurance
- Moving expenses
- Alimony paid
- Self-employment tax
- Student loan interest
- Educator expenses
- Qualified business expenses
- Health savings account contributions

See Exhibits 25 and 26 in Section 4.4 for further information on federal adjustments.

Federal Adjusted Gross Income (AGI). Federal adjusted gross income is the total from all federal income sources minus federal adjustments as computed on Form 1040. Federal AGI is the starting point on the Oregon personal income tax return for full-year resident filers (Form OR-40) when they calculate their Oregon personal income tax. For full-year resident filers, their federal AGI is the same as their Oregon AGI, and in this report will often be referred to as adjusted gross income or AGI.

Oregon Additions (Form OR-40 and included on OR-ASC). Additions are elements that represent income not taxed by the federal government but taxed by Oregon and federal deductions from AGI that Oregon does not allow. Examples of Oregon additions:

- Interest on bonds from other states
- Charitable contribution deductions for which a tax credit is claimed
- Federal income tax refunds from an amended or audited return
- Federal deduction of unused business credits
- Lump-sum payment from a qualified retirement plan

See Exhibit 27 in Section 4.4 for further information on Oregon additions.

Oregon Subtractions (Form OR-40 and included on OR-ASC). Subtractions represent income taxed by the federal government but not taxed by Oregon, as well as Oregon deductions from AGI that are not allowed at the federal level Examples of Oregon subtractions:

- Oregon income tax refunds
- Federal income tax (up to $8,250 for 2024)
- Social Security income
- Federal pension income
- U.S. bond interest
- Military active duty pay
- Scholarship awards used for housing expenses

See Exhibits 28 and 29 in Section 4.4 for further information on Oregon subtractions.

Oregon Deductions (Form OR-40 and included on OR-A). In general, filers are allowed to reduce their Oregon AGI by either their allowed standard deduction or their itemized deduction, whichever is larger. The standard deduction for each filing status for tax year 2024 and examples of itemized deductions are:

- **Standard deductions for 2024**
    - $5,495 if joint filer,
    - $4,420 if head of household filer
    - $2,745 if single filer
    - $2,745 if married filing separately (exception if spouse itemized)
    - Exceptions for taxpayers who are nonresident aliens or dependents listed on another return.
    - One of the listed four amounts plus an additional $1,000 for each taxpayer at least age 65 or blind, filing married or qualifying surviving spouse.
    - The additional amount is $1,200 for single and head of household filers.
    - For taxpayers who are both age 65 or older and blind, this additional amount can be doubled.

- **Itemized deductions**
  - Medical and dental expenses
  - Property taxes paid
  - Home mortgage intertest
  - Charitable gifts

See Exhibits 30, 31, and 32 in Section 4.4 for information on Oregon deductions.

Oregon Taxable Income (Form OR-40). Taxable income is Oregon AGI plus any Oregon additions minus any Oregon subtractions and deductions. If the result is negative, taxable income is set equal to zero.

Tax Rates and Total Tax (Form OR-40). The total tax before any tax credits are subtracted consists of the amount of tax computed from taxable income using the current tax rates. The applicable tax rates and taxable income brackets are shown in **Exhibit 4**. Taxable income for returns with filing status of single or married filing separately is subject to bracket levels (S tax brackets) half that of returns with other filing statuses (J tax brackets). The current tax rates for the three lowest brackets, 4.75, 6.75, and 8.75 percent respectively, began in tax year 2021. The income bracket levels have been indexed for inflation since 1993, currently using the U.S. City Average Consumer Price Index (CPI) as the measure of inflation. The highest tax rate of 9.9 percent for returns with taxable income above $125,000 (S tax bracket) or $250,000 (J tax bracket) has been in place since 2012. The bracket levels for the highest tax rate are not adjusted for inflation.

Exhibit 4 Tax Brackets
Tax Year 2024

S Tax Brackets
For persons filing single or married filing separately

If taxable income is:	then tax is:
Not over $4,300	4.75% of taxable income
Over $4,300 but not over $10,200	$204 plus 6.75% of excess over $4,300
Over $10,750 but not over $125,000	$639 plus 8.75% of excess over $10,750
Over $125,000	$10,636 plus 9.9% of excess over $125,000

J Tax Brackets
For persons married filing jointly, head of household, or qualifying surviving spouse

If taxable income is:	then tax is:
Not over $8,600	4.75% of taxable income
Over $8,600 but not over $21,500	$409 plus 6.75% of excess over $8,600
Over $21,500 but not over $250,000	$1,280 plus 8.75% of excess over $21,500
Over $250,000	$21,274 plus 9.9% of excess over $250,000

Qualified Business Income (QBI) Reduced Tax Rates (Form OR-40 and included on OR-PTE). A reduced tax rate structure on qualified business income (QBI) from sole proprietorships and pass-through entities (PTE) that meet certain requirements[2] is available to Oregon personal income taxpayers. Beginning with tax year 2015, taxpayers with qualifying business income from a partnership, S corporation, or sole proprietorship (added beginning tax year 2018) can elect to use the following marginal tax rates on that income as shown in **Exhibit 5**.

Exhibit 5 Tax Rates for Qualified Business Income (QBI) from Pass-through Entities Tax Year 2024

Qualified Business Income	Marginal Tax Rate
$1 to $500,000	7.0%
$500,001 to $1,000,000	7.5%
$1,00,001 to $2,500,000	8.0%
$2,500,001 to $5,000,000	9.0%
More than $5,000,000	9.9%

See Exhibit 33 in Section 4.4 for further information on the QBI reduced tax rates.

Oregon Credits (Form OR-40 and included on OR-ASC). A tax credit reduces tax liability on a dollar-for-dollar basis. Most credits are not refundable, which means they can only reduce tax liability to zero. If a taxpayer has more nonrefundable credits than the tax liability, the excess credit is lost (standard credit) or carried forward to the next tax year (carryforward credit). If the taxpayer has refundable credits exceeding the tax liability (after subtracting nonrefundable credits), the taxpayer receives payment for the excess portion of the refundable credits.

Nearly all taxpayers receive an exemption credit equal to their number of exemptions (see Section 4.2, Exemptions and Dependents) times the current value of an exemption credit ($249 for tax year 2024), except for those claimed as a dependent on another tax return, single and married filing separate filers with AGI above $100,000, and married filing jointly, head of household, and qualifying surviving spouse filers with AGI above $200,000. Examples of other Oregon tax credits are:

- Political contributions (standard)
- Oregon Cultural Trust contributions (standard)
- Individual Development Account Donation (carryforward)
- Crop Donation (carryforward)
- Earned income Credit (refundable)
- Oregon Kids Credit (refundable)

See Exhibits 34, 35, 36, 37, and 38 in Section 4.4 for further information on Oregon credits.

[2]*See Publication OR-17, Oregon Individual Income Tax Guide, 2024* at the following link: www.oregon.gov/dor/forms

Tax Liability. Tax liability is the amount of tax owed by a taxpayer before accounting for any payments made by the taxpayer. It is the total tax reduced by credits, first by standard and carryforward credits and further reduced by any portion of refundable credits up to the amount of remaining tax. If refundable credits exceed the amount of remaining tax, then the taxpayer has no tax liability and receives a payment for the excess portion of the refundable credit.

Payments and Refunds. The amount a taxpayer is required to pay with the tax return is typically less than the final tax liability because most taxpayers have already made payments by having Oregon tax withheld from their paycheck or by making estimated tax payments. If these payments are less than the tax liability, then an additional payment is required with their return to cover the tax due. If these payments are more than the tax liability, the taxpayer receives a refund for the overpayment plus any payment for the excess portion of a refundable credit.

Payment types:

- Withholding
- Estimated payments
- Payment submitted with return

See Exhibits 39, 40, and 41 in Section 4.4. for further information on payments and refunds.

Pass-Through Entity Elective (PTE-E) Tax. A recent Oregon tax policy allows individual taxpayers with income from pass-through entities (partnerships and S corporations) the option to pay tax on that income at the entity level rather than the individual level. This is referred to as the Pass-Through Entity Elective (PTE-E) Tax. Partners and S corporation shareholders subsequently receive a payment equivalent to their portion of the tax paid through a refundable credit claimed on their Oregon personal income tax return. This policy was first applicable in tax year 2022.

The PTE-E Tax was instituted as a way for taxpayers with income from pass-through entities to reduce their federal tax. Pass-through entities can deduct the full amount of the PTE-E tax paid as a business expense on their federal income tax returns rather than their partners and shareholders including this as a state and local tax deduction on Schedule A of their federal income tax return which has a $10,000 limit. Effectively, these taxpayers can deduct the full amount of Oregon tax paid rather than be limited by a maximum $10,000 deduction, and hence can reduce their federal tax. These taxpayers are required to add back to their Oregon taxable income any PTE-E tax paid that was deducted on their federal income tax return. For Oregon, the PTE-E Tax is intended to be revenue neutral, as their PTE-E addition keeps their Oregon taxable income unaffected and the total PTE-E tax paid equals the total PTE-E refundable credits.

For this report, the tax liability does not include the PTE-E refundable credit, but it is considered a payment to the taxpayer using a refundable credit mechanism on the tax return.

In Section 4.4, see Exhibit 27 for further information on the PTE-E addition and Exhibit 39 for further information on PTE-E refundable credit payments.

Part-year Residents of Oregon and Nonresidents (PY/NR)

For part-year residents, taxable income is based on income from all sources, and the tax is prorated by the ratio of their Oregon income to their federal income. Their Oregon income is income from all sources while an Oregon resident and any Oregon-sourced income while a nonresident. For nonresidents, the federal tax subtraction and standard or itemized deductions are prorated based on the ratio of Oregon income to federal income, and the tax rates are applied to income only from Oregon sources. Oregon prorates some credits, such as the exemption credit, credit for contributions to the Oregon Cultural Trust, and residential energy tax credit for part-year residents and nonresidents.

See Section 4.5 for further information on part-year and nonresident returns.

Section 4: Characteristics of Taxpayers

Section 4 presents information about the characteristics of Oregon personal income taxpayers as gathered from returns filed for tax year 2024. Most of the exhibits show information by return regardless of how many people are represented on each return. Some exhibits show information by the individual taxpayer – in the case of a married filing jointly tax return, there are two taxpayers, otherwise only one taxpayer is represented on a return. Dependents listed on a return are not considered taxpayers, however they count toward the total number of people associated with the return. Dependents with their own source of income can file their own tax return.

Data shown for tax year 2024 generally either compares to tax year 2023 or shows how the data fits into a historical trend. Section 4 is organized into the following sub-sections:

- Section 4.1: Information on the number of returns filed, method used for filing, and when returns are filed.
- Section 4.2: Information on taxpayer demographics, such as age of taxpayer, filing status, exemptions and dependents.
- Section 4.3: Information on Oregon adjusted gross income, taxable income, tax liability and effective tax rate.
- Section 4.4: Information from the lines of the federal Form 1040 and the Oregon Form OR-40 for full-year resident returns in the following subsections.

  From federal Form 1040
  - Income
  - Adjustments

  From Oregon Form OR-40
  - Additions
  - Subtractions
  - Qualified Business Income tax rates claimants
  - Deductions – standard and itemized from Schedule OR-A
  - Credits
  - Payments and Refunds
- Section 4.5: Information on part-year and nonresident returns
- Section 4.6: Tax return information by county

Notes on the data: Data from previous tax years are the actual dollar amounts as reported on returns and not adjusted for inflation. The general rounding guidelines used in this report are return counts are rounded to the nearest multiple of 10, total dollar amounts are rounded to the nearest $0.1 million, average dollar amounts are rounded to the nearest multiple of $10, and percentages are rounded to the nearest 0.1 percent. Due to rounding, the sum of separate quantities may not correspond exactly to some totals.

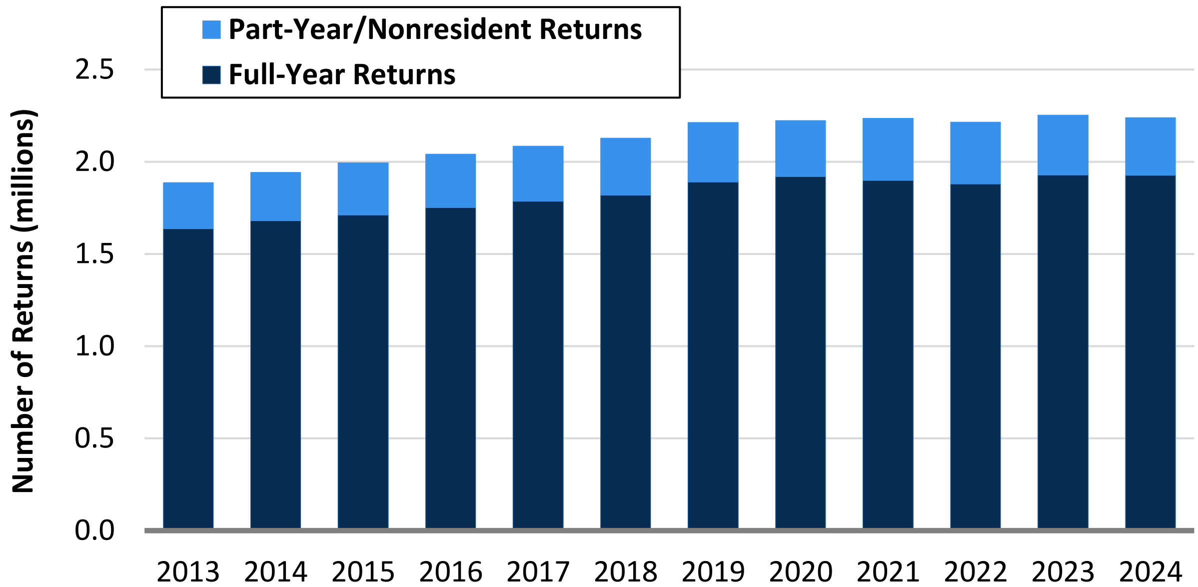
Section 4.1: Data and Trends on Return Filings

This section gives basic information about Oregon personal income tax returns including historical trends. Information is shown on the overall number of returns, return submittal type (i.e., electronic, 2-D barcode, or paper), and when returns are received by the Department of Revenue during the filing season.

All Returns–Historical Trends

Exhibit 6 on the following page shows the trend in returns filed since 2013 for full-year resident returns and part-year resident/nonresident (PY/NR) returns. The number of returns filed generally increases each year due to an increase in Oregon's population. However, the number of returns filed can fluctuate depending on economic conditions. If there is a kicker refund available, the number of returns filed tends to increase, which was especially evident in tax year 2023.

Exhibit 6 Oregon Personal Income Tax Returns All Form Types–Tax Years 2013 to 2024



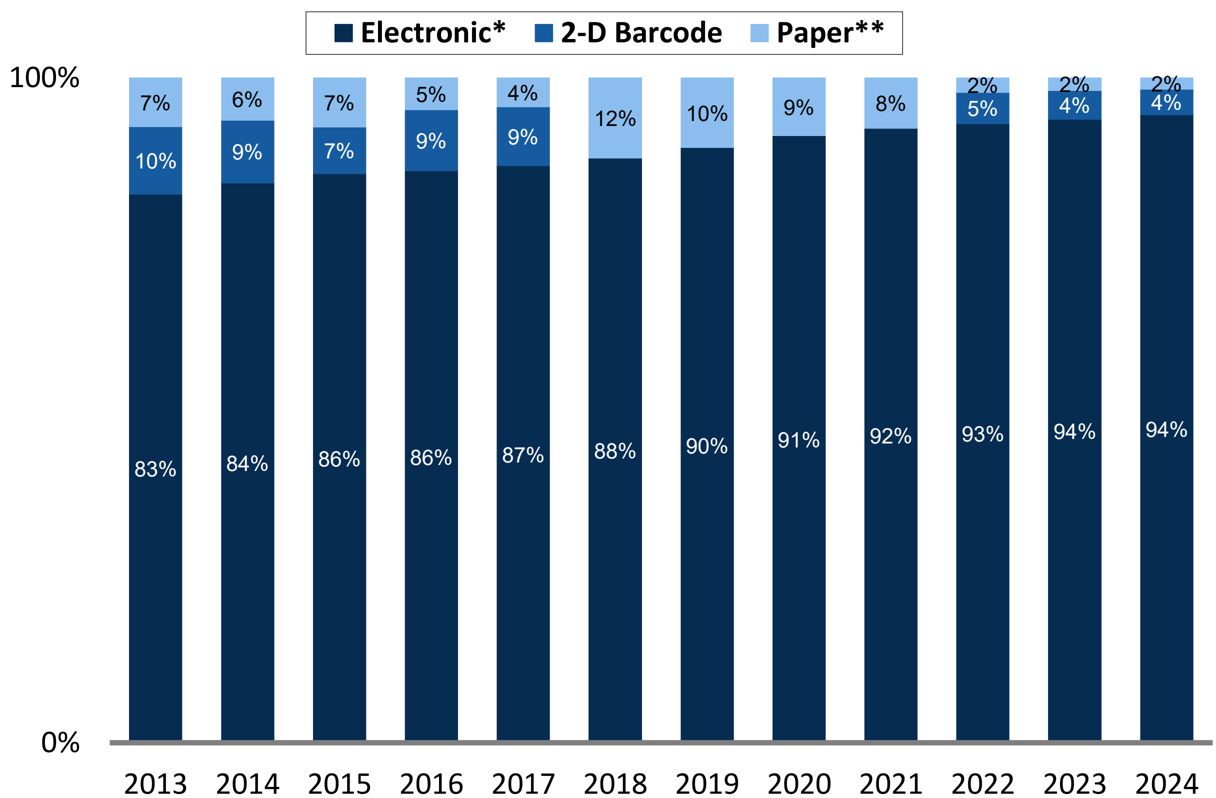
Tax Year	Oregon Population*	Annual Growth Rate	Number of Full-Year Returns	Annual Growth Rate	Number of PY/NR Returns	Annual Growth Rate	Number of All Returns	Annual Growth Rate
2013	3,924,055	0.6%	1,636,510	1.5%	249,930	6.9%	1,886,440	2.2%
2014	3,965,375	1.1%	1,679,610	2.6%	263,070	5.3%	1,942,680	3.0%
2015	4,018,453	1.3%	1,711,180	1.9%	282,390	7.3%	1,993,570	2.6%
2016	4,093,165	1.9%	1,751,140	2.3%	289,600	2.6%	2,040,740	2.4%
2017	4,147,171	1.3%	1,785,350	2.0%	299,800	3.5%	2,085,150	2.2%
2018	4,183,398	0.9%	1,819,170	1.9%	309,580	3.3%	2,128,750	2.1%
2019	4,215,959	0.8%	1,889,720	3.9%	322,970	4.3%	2,212,690	3.9%
2020	4,241,467	0.6%	1,919,410	1.6%	304,610	-5.7%	2,224,020	0.5%
2021	4,234,736	-0.2%	1,898,660	-1.1%	337,470	10.8%	2,236,130	0.5%
2022	4,255,112	0.5%	1,880,060	-1.0%	334,100	-1.0%	2,214,160	-1.0%
2023	4,269,152	0.3%	1,928,700	2.6%	324,020	-3.0%	2,252,720	1.7%
2024	4,286,443	0.4%	1,927,360	-0.1%	312,140	-3.7%	2,239,500	-0.6%

*Oregon Office of Economic Analysis, Demographic Forecast, March 2026 release; population estimate is for July 1 of given year: www.oregon.gov/das/OEA/Pages/forecastdemographic.aspx

Filing Method

Filing Method–Historical Trends. Taxpayers may file their returns by one of several methods. The most popular method is by electronically filing their return by using either self-tax preparation software or through a tax preparation service (paid or volunteer tax preparer). Taxpayers may also mail to or drop off at the Oregon Department of Revenue (DOR) a paper return. The paper return can either be filled out by the taxpayer or be a printout of their return using tax preparation software which contains a 2-D barcode of their tax return information. Since 2024 (beginning with returns filled for tax year 2023), taxpayers could submit their tax returns electronically through DOR's Revenue Online, known as Direct File Oregon. **Exhibit 7** shows the percentage of each filing method from 2013 to 2024. Electronic filing has steadily increased to 94.4 percent for tax year 2024. Percentages for electronically filed returns for tax year 2023 and 2024 include returns filed through Direct File Oregon which accounts for only 0.6 percent of total returns filed.

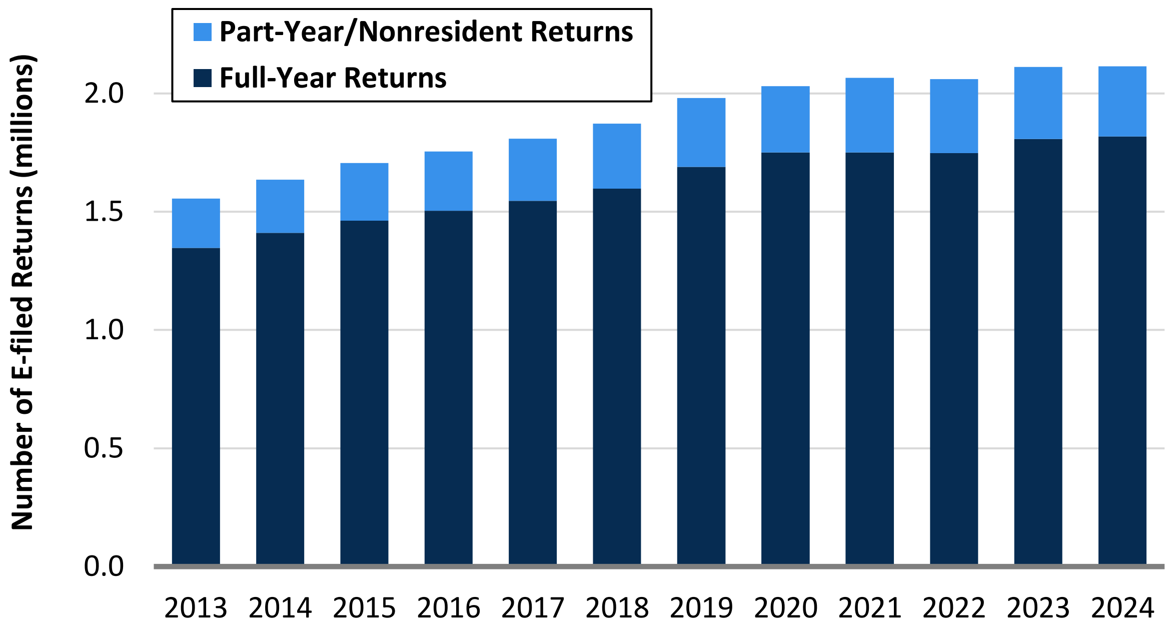
Exhibit 7 Returns by Filing Method–Electronic, 2-D, and Paper
All Form Types–Tax Years 2013 to 2024



*For tax year 2023 and 2024, electronic also includes Direct File Oregon at DOR Revenue Online
**For tax years 2018-2021, the data for 2D barcode returns and paper returns are combined.

Electronic Filing–Historical Trends. Exhibit 8 illustrates the general upward trend in the overall numbers of returns filed electronically from 2013 to 2024. Data for tax year 2023 and 2024 include returns filed through Direct File Oregon.

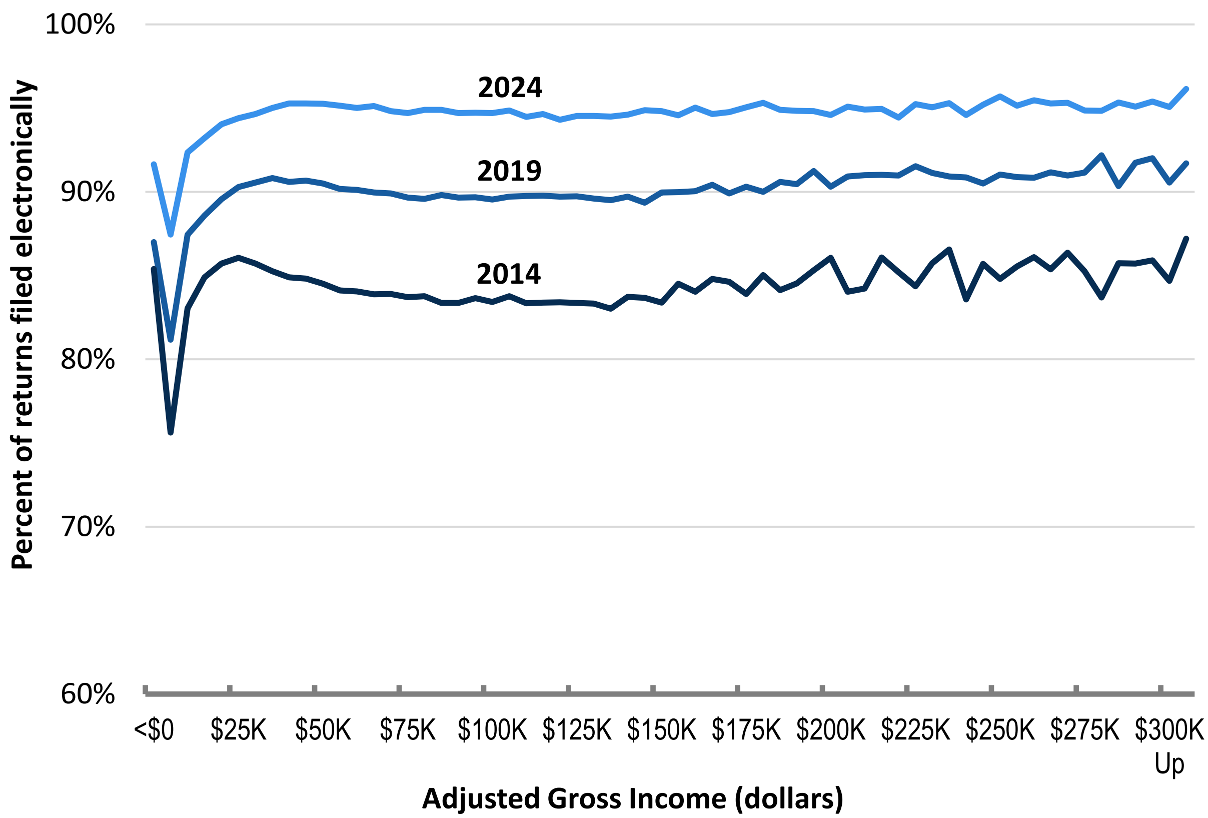
Exhibit 8 Electronically Filed Income Tax Returns
All Form Types–Tax Years 2013 to 2024



Tax Year	Number of E-filed Full-Year Returns	Annual Growth Rate	Number of E-filed PY/NR Returns	Annual Growth Rate	Number of All E-filed Returns	Annual Growth Rate
2013	1,346,560	2.9%	209,680	10.6%	1,556,240	3.9%
2014	1,410,680	4.8%	225,020	7.3%	1,635,700	5.1%
2015	1,461,900	3.6%	244,160	8.5%	1,706,060	4.3%
2016	1,504,570	2.9%	250,790	2.7%	1,755,350	2.9%
2017	1,546,750	2.8%	262,620	4.7%	1,809,360	3.1%
2018	1,597,200	3.3%	274,750	4.6%	1,871,950	3.5%
2019	1,689,160	5.8%	291,410	6.1%	1,980,570	5.8%
2020	1,750,510	3.6%	280,120	-3.9%	2,030,630	2.5%
2021	1,750,700	0.0%	315,190	12.5%	2,065,890	1.7%
2022	1,747,400	-0.2%	313,050	-0.7%	2,060,450	-0.3%
2023	1,807,160	3.4%	304,860	-2.6%	2,112,030	2.5%
2024	1,818,850	0.6%	295,350	-3.1%	2,114,200	0.1%

Electronic Filing by Adjusted Gross Income. Exhibit 9 shows the percentage of full-year resident returns filed electronically by income level for tax years 2014, 2019, and 2024. For tax year 2024, the percentage of returns filed electronically is relatively constant across all incomes, except for individuals who report very low income. These are often simple returns filed by the older sector of the population, and they opt to file more often by paper. Returns with adjusted gross income less than $0 tend to be more complicated returns with business losses and most file electronically close to the overall electronic filing rate.

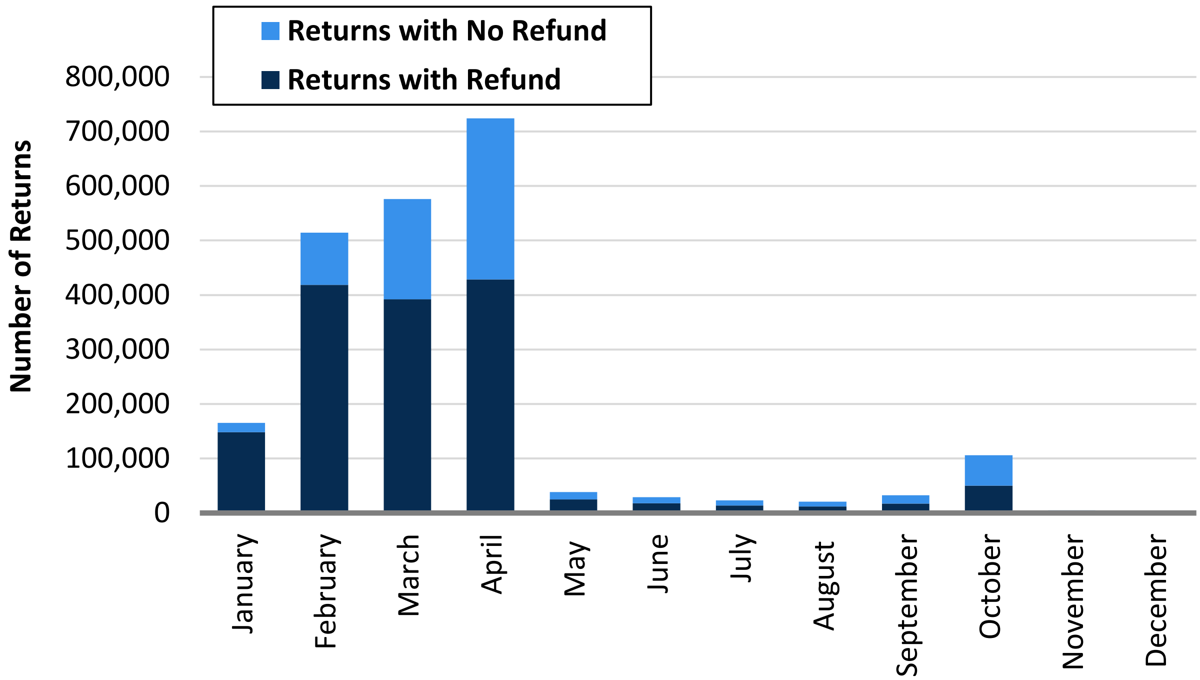
Exhibit 9 Returns Filed Electronically by Adjusted Gross Income for Full-Year Resident Returns–Tax Years 2014, 2019, and 2024



Timing of Filing Tax Returns

The information in **Exhibit 10**, on the following page, is based on original 2024 income tax returns received by the Oregon Department of Revenue in the 2025 calendar year. The department receives returns throughout the year and typically receives most of those returns by the April return filing deadline. This exhibit shows the total number of returns submitted by month, broken out into returns that claim a refund and those that do not claim a refund. About 5 percent of taxpayers filed near the extension deadline in October.

Exhibit 10 Returns by Month Received in Calendar Year 2025
All Return Types–Tax Year 2024



Month	Returns with No Refund	Returns with a Refund	Total Returns	Share of Total	Cumulative Share of Total
January	16,780	148,420	165,200	7.4%	7.4%
February	95,700	418,640	514,350	23.0%	30.3%
March	183,820	392,370	576,190	25.7%	56.1%
April	295,620	428,630	724,250	32.3%	88.4%
May	13,870	24,850	38,720	1.7%	90.1%
June	10,960	18,170	29,130	1.3%	91.4%
July	9,220	13,720	22,940	1.0%	92.5%
August	8,990	11,810	20,810	0.9%	93.4%
September	15,250	17,530	32,790	1.5%	94.9%
October	55,880	49,900	105,780	4.7%	99.6%
November	2,570	2,620	5,190	0.2%	99.8%
December	2,010	2,160	4,170	0.2%	100.0%
Total	**710,680**	**1,528,820**	**2,239,500**	**100.0%**	**100.0%**

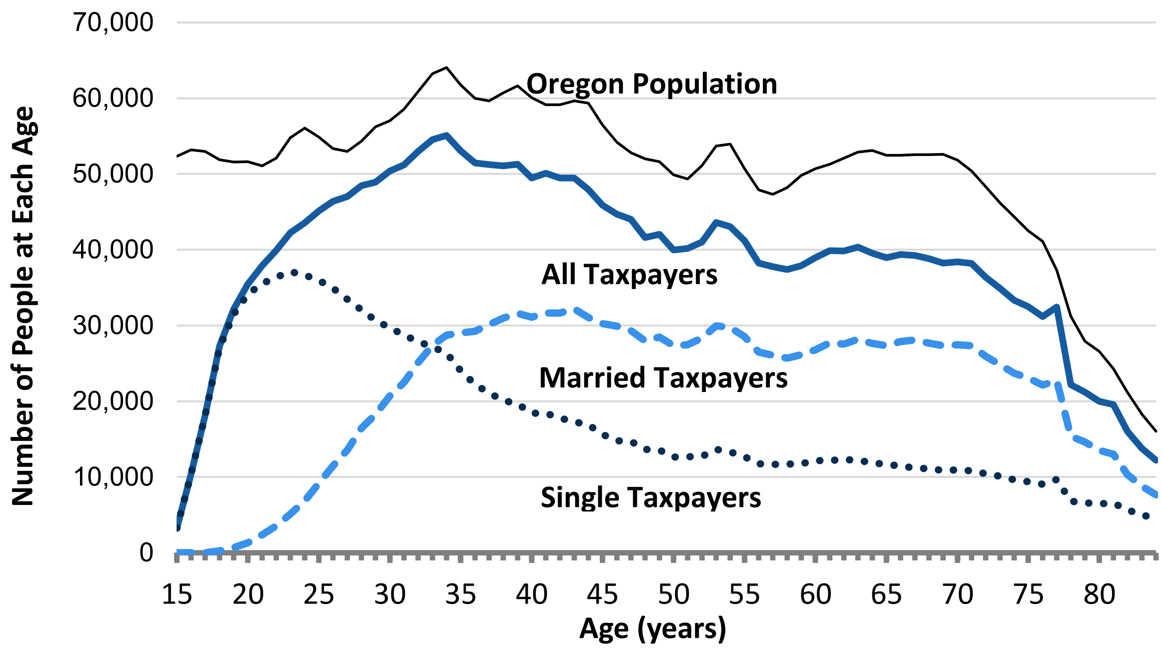
Section 4.2: Taxpayer Demographics

This section presents information related to the demographics of taxpayers. Data is presented on the age of taxpayers, the filing status (single, married filing jointly, married filing separately, head of household, and qualifying surviving spouse) of taxpayers, and the number of exemptions and dependents.

Age of Taxpayers

Exhibit 11 shows information on all returns filed by full- and part-year Oregon residents by the age of the taxpayer in years as of July 1, 2024 (includes both the filer and spouse for joint returns). The data shows the number of taxpayers on returns filed by single and married taxpayers separately, along with the overall Oregon population. The population data is not directly comparable to the tax return data. This is due to the fact, first and foremost, that the number of taxpayers represented by tax returns is less than the overall population, as many taxpayers do not file because they do not have enough income. Secondly, population estimates are for July 1, 2024, whereas taxpayer numbers represent those who filed tax year 2024 resident returns in calendar year 2025.

Exhibit 11 Returns by Taxpayer (Primary and Spouse for Joint Returns) Age Full-Year Resident and Part-Year Residents–Tax Year 2024



(1) Age of taxpayer on July 1, 2024, computed from the date of birth listed on the return.
(2) The chart represents 2.78 million resident (full and part-year) taxpayers.
(3) Age is not known for less than 1 percent of taxpayers, so they are not represented.
(4) Oregon population age data is from the Oregon Office of Economic Analysis, Demographic Forecast, March 2026 release; population estimate is for July 1, 2024: www.oregon.gov/das/OEA/Pages/forecastdemographic.aspx

Returns by Filing Status and Form Type

Exhibit 12 shows the number of 2024 returns by filing status and form type. Full-year residents use Form OR-40, part-year residents use Form OR-40-P, and nonresidents use Form OR-40-N. Of the 2.4 million returns filed for tax year 2024, 86 percent of returns were from full-year resident taxpayers. Additionally, the data is broken out by the filing status of the taxpayer: single, married filing jointly, married filing separately, head of household, and qualifying surviving spouse. The allowed filing status chosen by the taxpayer determines some of the pieces of the tax return calculation, such as the amount of standard deduction and which tax brackets to use.

Exhibit 12 Returns by Filing Status and Form Type
All Form Types–Tax Year 2024

Filing Status	Full-Year Resident OR-40	Part-Year (PY) OR-40-P	Nonresident (NR) OR-40-N	Total
Single	995,550	53,500	93,060	1,142,100
Married Filing Jointly	702,280	21,870	115,280	839,430
Married Filing Separately	39,850	2,440	5,630	47,910
Head-of-Household	188,710	4,750	15,500	208,960
Qualifying Surviving Spouse	970	20	100	1,090
Total	**1,927,360**	**82,590**	**229,550**	**2,239,500**

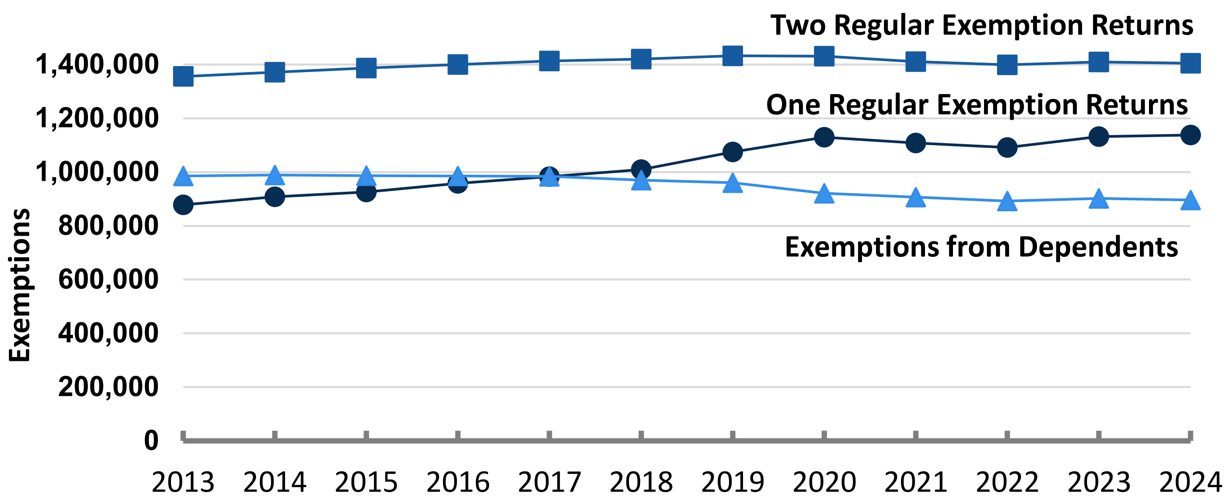
Exemptions and Dependents

Filers receive one regular exemption for themselves and a second regular exemption for their spouse if using a filing status of married filing jointly. Taxpayers also receive one exemption for each qualifying dependent. Filers receive an additional exemption for each spouse who is severely disabled and for each dependent who has a qualifying disability. If a dependent claimed on a return files their own tax return, they are not allowed to claim any exemptions on their tax return. A dependent may file a return if, for example, they have income from employment or interest from an investment set up by their parents in that dependent's name.

Filers receive a total exemption credit equal to the number of exemptions times the value of the exemption credit ($249 for tax year 2024). Filers with an adjusted gross income over $100,000 (single or married filing separately) or $200,000 (married filing jointly, head of household, or qualifying surviving spouse) do not receive any exemption credit. Additionally, any taxpayer who has an exemption (or exemptions) for being severely disabled or having a dependent with a qualifying disability cannot claim the corresponding portion of the exemption credit if their adjusted gross income is over $100,000 for any filing status.

Exhibit 13 shows the historic trends of regular exemptions (from filer and spouse) and exemptions from dependents for full-year filers for tax years 2013 to 2024. Exemptions related to severely disabled taxpayers and taxpayers with dependents having a qualifying disability are not shown in these exhibits, as the counts are small compared to the overall count of exemptions, and not including them gives a one-to-one relationship between exemptions and people included on a return.

Exhibit 13 Exemptions by Exemption Categories
Full-Year Resident Returns–Tax Years 2013 to 2024



Tax Year	Number of Exemptions for One Regular Exemption Returns*	Number of Exemptions for Two Regular Exemption Returns**	Number of Returns Claiming Dependents	Number of Dependents	Average Dependents per Return with dependents	Total Number of Exemptions	Annual Growth Rate
2013	878,140	1,355,440	523,550	985,410	1.88	3,219,000	0.8%
2014	907,760	1,370,830	527,440	989,000	1.88	3,267,590	1.5%
2015	926,270	1,386,320	527,250	987,010	1.87	3,299,600	1.0%
2016	958,180	1,399,720	529,200	985,860	1.86	3,343,760	1.3%
2017	982,960	1,412,900	530,350	984,430	1.86	3,380,290	1.1%
2018	1,009,710	1,419,860	528,440	970,140	1.84	3,399,710	0.6%
2019	1,074,900	1,432,610	528,790	960,300	1.82	3,467,810	2.0%
2020	1,129,270	1,430,700	516,050	921,560	1.79	3,481,520	0.4%
2021	1,108,310	1,410,390	508,390	906,590	1.78	3,425,290	-1.6%
2022	1,091,780	1,398,660	500,080	892,050	1.78	3,382,490	-1.2%
2023	1,132,220	1,409,140	506,600	901,510	1.78	3,442,860	1.8%
2024	1,137,650	1,404,550	505,280	896,120	1.77	3,438,320	-0.1%

*Taxpayers with a filing status of single, married filing separately, head of household, or qualifying surviving spouse receive one regular exemption, except for those taxpayers that are claimed as a dependent on another taxpayer's return.

**Taxpayers filing married filing jointly receive two regular exemptions.

Section 4.3: AGI, Taxable Income, Tax Liability & Effective Tax Rates–Data & Trends

This section looks at income and tax in several different ways, including categorically by resident type, historical trends, distribution by income, and effective tax rates.

Federal adjusted gross income (AGI) consists of income subject to federal tax minus federal adjustments. For full-year residents, Oregon AGI equals federal AGI. Part-year residents derive their Oregon AGI from all income while the taxpayer was a resident of Oregon and any Oregon-sourced income while they were a nonresident. Nonresidents derive their Oregon AGI from income sourced in Oregon.

Oregon Adjusted Gross Income and Tax Liability by Residence Type

Full-year residents accounted for about 86 percent of the tax returns, nearly 93 percent of Oregon AGI, and 92 percent of the tax liability in 2024. **Exhibit 14** is a summary of the number of returns, AGI, and Oregon tax liability by residency status, as determined by the type of return the taxpayer filed.

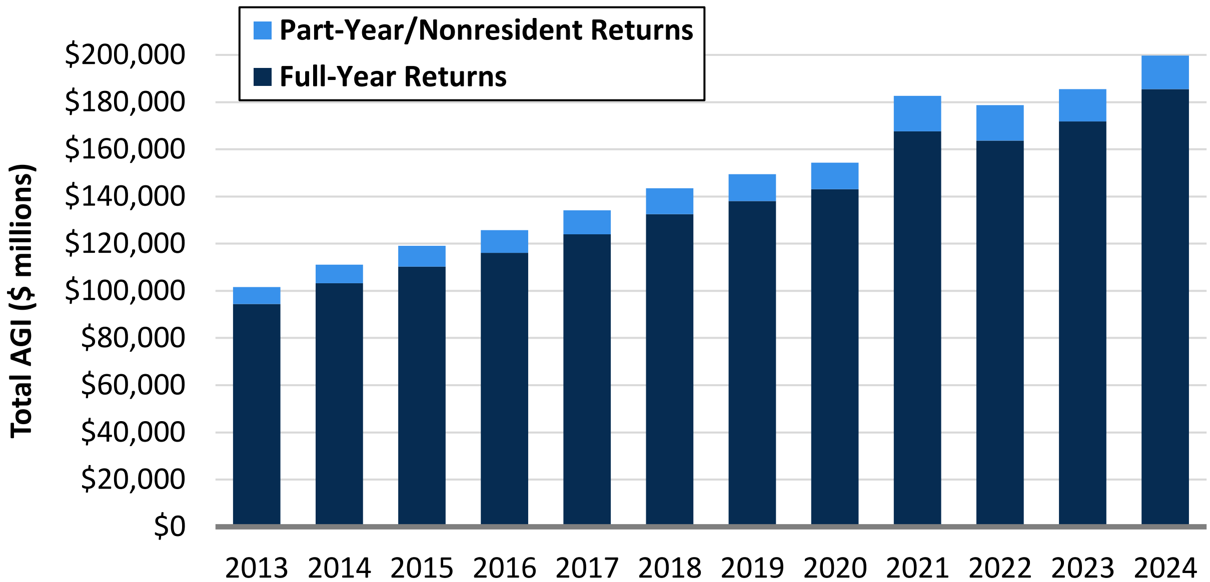
Exhibit 14 Returns, Oregon AGI, and Tax Liability by Form Type
All Form Types–Tax Year 2024

Form Type	Number of Returns	Share of Returns	Oregon AGI ($ millions)	Share of Oregon AGI	Tax Liability ($ millions)	Share of Tax Liability
Full-Year (OR-40)	1,927,360	86.1%	$185,437.4	92.8%	$11,869.8	92.2%
Part-Year (OR-40-P)	82,590	3.7%	$4,027.4	2.0%	$285.9	2.2%
Nonresident (OR-40-N)	229,550	10.3%	$10,271.4	5.1%	$712.8	5.5%
Total	**2,239,500**	**100.0%**	**$199,736.1**	**100.0%**	**$12,868.5**	**100.0%**

Trends of Adjusted Gross Income, Taxable Income and Tax Liability

Oregon Adjusted Gross Income–Historical Trends. Exhibit 15 on the following page shows the trend in Oregon AGI since 2013 for full-year resident returns, part-year resident/nonresident returns and all returns. Oregon AGI grows in most years due to Oregon's increasing taxpayer population, inflation, and economic growth. Oregon AGI for full-year resident filers increased by 8 percent in tax year 2024 as compared to 2023. See Exhibit 23 for data related to specific types of income included in AGI. For more information on part-year and nonresident returns, see the corresponding section beginning on page 60.

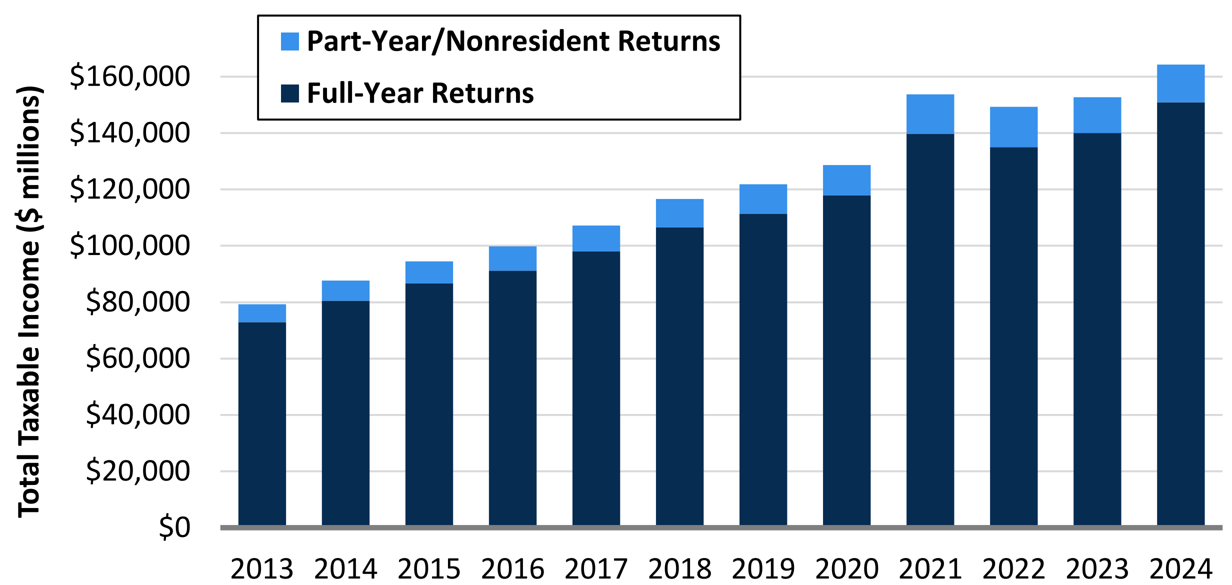
Exhibit 15 Total Oregon Adjusted Gross Income–Total and Average All Form Types–2013 to 2024



Tax Year	Average AGI Full-Year ($)	Average AGI PY/NR ($)	Average AGI All Returns ($)	Total AGI Full-Year ($ millions)	Annual Growth Rate of Total FY Returns	Total AGI PY/NR ($ millions)	Total AGI All Returns ($ millions)	Annual Growth Rate of Total All Returns
2013	$57,690	$28,840	$53,860	$94,405.0	1.8%	$7,206.8	$101,611.7	2.0%
2014	$61,430	$29,930	$57,170	$103,179.0	9.3%	$7,874.3	$111,053.4	9.3%
2015	$64,420	$31,250	$59,720	$110,226.4	6.8%	$8,824.3	$119,050.6	7.2%
2016	$66,300	$33,090	$61,590	$116,101.2	5.3%	$9,583.7	$125,684.9	5.6%
2017	$69,420	$34,090	$64,340	$123,945.0	6.8%	$10,219.7	$134,164.7	6.7%
2018	$72,850	$35,520	$67,420	$132,522.9	6.9%	$10,997.5	$143,520.4	7.0%
2019	$73,050	$35,210	$67,520	$138,036.4	4.2%	$11,372.1	$149,408.6	4.1%
2020	$74,520	$36,890	$69,370	$143,031.9	3.6%	$11,237.6	$154,269.6	3.3%
2021	$88,240	$44,700	$81,670	$167,545.5	17.1%	$15,085.5	$182,631.0	18.4%
2022	$87,060	$45,140	$80,740	$163,681.3	-2.3%	$15,082.2	$178,763.5	-2.1%
2023	$89,090	$42,230	$82,350	$171,829.6	5.0%	$13,684.0	$185,513.6	3.8%
2024	$96,210	$45,810	$76,730	$185,437.4	7.9%	$14,298.7	$199,736.1	-7.4%

Taxable Income–Historical Trends. Taxable income is the amount of income subject to Oregon tax and equals Oregon AGI plus additions, minus subtractions, minus allowable deductions, limited to a minimum of zero. **Exhibit 16** shows the trend in Oregon taxable income since 2013 for full-year resident returns, part-year resident/nonresident returns (PY/NR), and all returns.

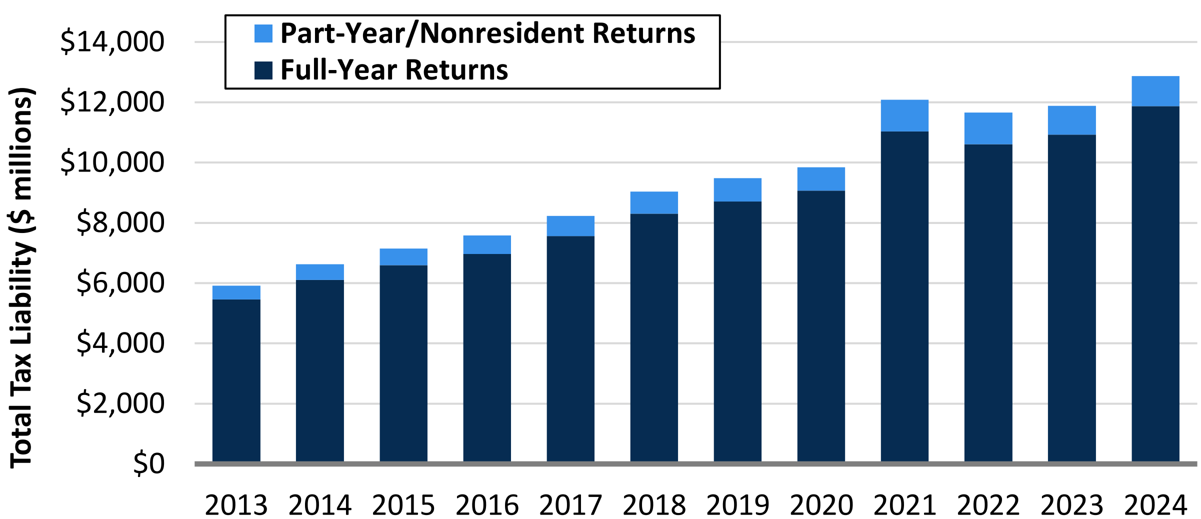
Exhibit 16 Oregon Taxable Income–Total and Average
Full-year Resident and Part-year Resident/Nonresident–Tax Years 2013 to 2024



Tax Year	Average Taxable Income Full-Year ($)	Average Taxable Income PY/NR ($)	Average Taxable Income All Returns ($)	Total Taxable Income Full-Year ($ millions)	Annual Growth Rate of Total FY Returns	Total Taxable Income PY/NR ($ millions)	Total Taxable Income All Returns ($ millions)	Annual Growth Rate of Total All Returns
2013	$44,580	$25,320	$42,030	$72,962.2	3.1%	$6,328.3	$79,290.5	3.2%
2014	$47,970	$26,920	$45,120	$80,570.9	10.4%	$7,082.8	$87,653.7	10.5%
2015	$50,610	$27,820	$47,380	$86,601.8	7.5%	$7,856.7	$94,458.5	7.8%
2016	$52,100	$29,540	$48,900	$91,228.7	5.3%	$8,554.8	$99,783.5	5.6%
2017	$54,900	$30,510	$51,400	$98,021.7	7.4%	$9,147.1	$107,168.9	7.4%
2018	$58,540	$32,590	$54,760	$106,489.2	8.6%	$10,087.7	$116,576.9	8.8%
2019	$58,930	$32,370	$55,060	$111,370.6	4.6%	$10,455.3	$121,825.9	4.5%
2020	$61,400	$35,330	$57,830	$117,860.2	5.8%	$10,763.3	$128,623.5	5.6%
2021	$73,570	$41,780	$68,770	$139,686.6	18.5%	$14,101.0	$153,787.6	19.6%
2022	$71,820	$42,600	$67,410	$135,024.9	-3.3%	$14,234.2	$149,259.1	-2.9%
2023	$72,570	$39,380	$67,800	$139,965.6	3.7%	$12,761.4	$152,727.0	2.3%
2024	$78,290	$42,790	$73,340	$150,886.6	7.8%	$13,356.1	$164,242.7	7.5%

Tax Liability–Historical Trends. Tax liability is the amount of tax owed by a taxpayer before any withholding, other payments, and refunds are included. It is equal to the total tax reduced by standard and carryforward credits and any portion of refundable credits up to the amount of the remaining tax. If refundable credits exceed the amount of remaining tax, then the taxpayer has no tax liability and receives a payment for the balance. In 2024, tax liability totaled $12.9 billion, an increase of 8.3 percent from 2023. **Exhibit 17** shows the trend in total tax liability since 2013 for full-year resident, part-year resident/nonresident, and all returns.

Exhibit 17 Oregon Tax Liability–Total and Average
All Form Types–Tax Years 2013 to 2024



Tax Year	Average Tax Liability Full-Year ($)	Average Tax Liability PY/NR ($)	Average Tax Liability All Returns ($)	Total Tax Liability Full-Year ($ millions)	Annual Growth Rate of Total FY Returns	Total Tax Liability PY/NR ($ millions)	Total Tax Liability All Returns ($ millions)	Annual Growth Rate Total All Returns
2013	$3,330	$1,820	$3,130	$5,457.2	3.2%	$453.9	$5,911.1	3.3%
2014	$3,640	$1,950	$3,410	$6,109.1	11.9%	$513.3	$6,622.4	12.0%
2015	$3,850	$1,990	$3,590	$6,590.5	7.9%	$561.1	$7,151.6	8.0%
2016	$3,980	$2,110	$3,720	$6,970.1	5.8%	$611.6	$7,581.7	6.0%
2017	$4,240	$2,230	$3,950	$7,565.4	8.5%	$668.5	$8,233.9	8.6%
2018	$4,560	$2,380	$4,240	$8,298.5	9.7%	$737.7	$9,036.2	9.7%
2019	$4,610	$2,400	$4,280	$8,704.0	4.9%	$774.7	$9,478.8	4.9%
2020	$4,720	$2,560	$4,430	$9,063.1	4.1%	$779.1	$9,842.2	3.8%
2021	$5,810	$3,100	$5,400	$11,034.3	21.7%	$1,047.7	$12,082.0	22.8%
2022	$5,640	$3,150	$5,270	$10,606.8	-3.9%	$1,053.7	$11,660.5	-3.5%
2023	$5,660	$2,940	$5,270	$10,925.2	3.0%	$952.7	$11,877.8	1.9%
2024	$6,160	$3,200	$5,750	$11,869.8	8.6%	$998.7	$12,868.5	8.3%

Distributions of Returns, AGI, and Tax Liability

This section presents several ways to look at the distribution of returns: by tax brackets, by AGI quintiles and by detailed AGI levels.

Distribution of Returns, AGI, and Tax Liability by Oregon Tax Brackets. Exhibit 18 shows the number of filers, total AGI, and total tax liability by those filers in each tax bracket for tax years 2023 and 2024. Also shown is the effective tax rate as derived from AGI for each tax bracket. See page 32 for a discussion of effective tax rates. Note that the effective tax rate in each tax bracket is less than the highest marginal tax rate applied to a taxpayer's taxable income, as taxpayers have some proportion of their income taxed at a lower marginal tax rate. In addition, taxpayers have subtractions, deductions, and tax credits which also lower their tax liability.

Exhibit 18 Returns, Oregon AGI, and Tax Liability by Tax Bracket
Full-year Resident Returns–Tax Years 2023 and 2024

Tax Year 2024

2024 Taxable Income: Single or Married Filing Separately (all others double the amount)	2024 Number of Returns	2024 Share of Returns	2024 Oregon AGI ($ millions)	2024 Tax Liability ($ millions)	2024 Share of Tax Liability	Effective Tax Rate*
$0	117,600	6.1%	$579.2	$0.0	0%	0.00%
$1- $4,300	105,820	5.5%	$1,469.9	$2.5	<0.1%	0.17%
$4,301–$10,750	171,880	8.9%	$3,932.3	$34.3	0.3%	0.87%
$10,751-$125,000	1,405,340	72.9%	$119,111.4	$6,834.0	57.6%	5.74%
Over $125,000	126,720	6.6%	$60,344.6	$4,999.0	42.1%	8.28%
Total	**1,927,360**	**100.0%**	**$185,437.4**	**$11,869.8**	**100.0%**	**6.40%**

Tax Year 2023

2023 Taxable Income: Single or Married Filing Separately (all others double the amount)	2023 Number of Returns	2023 Share of Returns	2023 Oregon AGI ($ millions)	2023 Tax Liability ($ millions)	2023 Share of Tax Liability	Effective Tax Rate*
$0	126,960	6.6%	$672.6	$0.0	0%	0.00%
$1- $4,050	105,830	5.5%	$1,399.8	$2.4	<0.1%	0.17%
$4,051–$10,200	171,060	8.9%	$3,712.0	$32.9	0.3%	0.89%
$10,201-$125,000	1,415,510	73.4%	$114,986.2	$6,664.1	61.0%	5.80%
Over $125,000	109,340	5.7%	$51,059.1	$4,225.7	38.7%	8.28%
Total	**1,928,700**	**100.0%**	**$171,829.6**	**$10,925.2**	**100.0%**	**6.36%**

*Effective tax rate derived from AGI

Distribution of Returns, AGI, and Tax Liability by AGI Quintiles. Exhibit 19 shows total Oregon AGI, total tax liability, and share of total tax liability by AGI quintile for 2023 and 2024 for full-year resident returns. Quintiles represent subsets of the data that each contain 20 percent of all data records grouped by the values of a particular variable in order. For example, quintiles by income are determined by arranging the set of records from the lowest income to the highest income and then dividing the data into five equally sized subsets. In the data presented in **Exhibit 19**, the fifth quintile is further subdivided into the first 15 percent, the next 4 percent, and the top 1 percent.

A couple of observations can be made which show how the tax liability is concentrated by income level. In 2024, the bottom 40 percent of filers by income accounted for 5.4 percent of the total tax liability, while the top 40 percent accounted for 85 percent of the total tax liability. The top 1 percent of full-year filers accounted for about 20 percent of the total tax liability compared to 19 percent in 2023. The top 1 percent paying a greater portion of Oregon's tax liability is indicative of taxpayers having more income taxed in the top income bracket.

Exhibit 19 Oregon AGI and Tax Liability by AGI Quintiles
Full-year Resident Returns–Tax Years 2023 and 2024

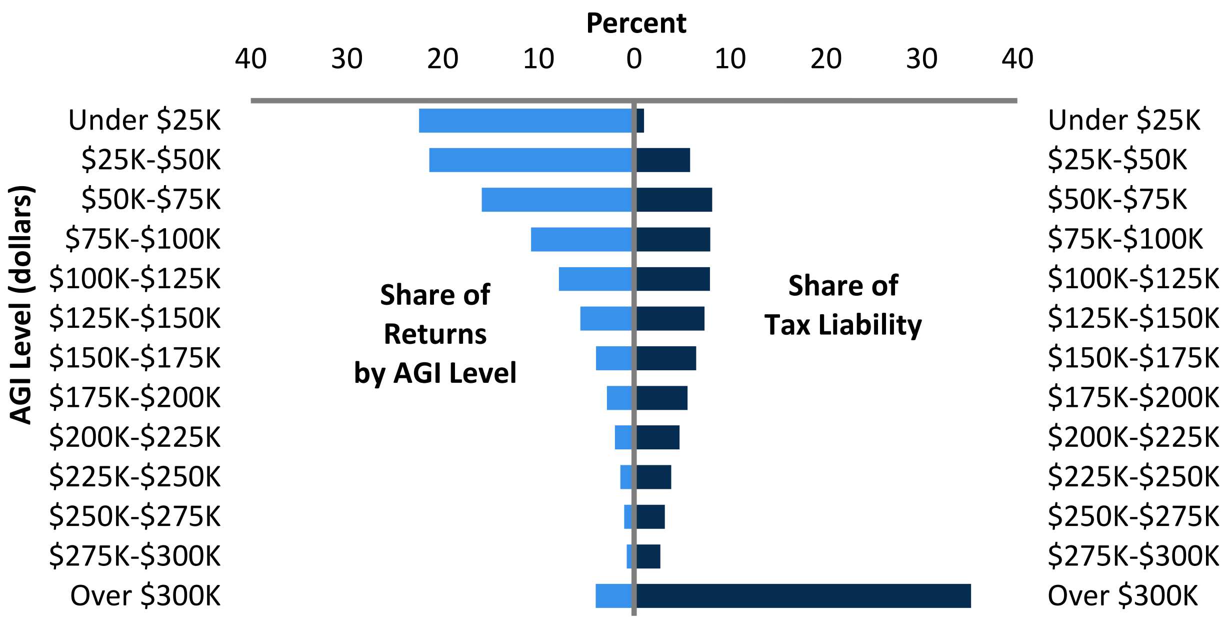
AGI Quintile	AGI Range for Tax Year 2024 ($)	2023 Oregon AGI ($ millions)	2024 Oregon AGI ($ millions)	2023 Tax Liability ($ millions)	2024 Tax Liability ($ millions)	2023 Share of Tax Liability	2024 Share of Tax Liability
Lowest 20%	Below $22K	$2,636.8	$2,858.4	$79.0	$86.3	0.7%	0.7%
Second 20%	$22K-$45K	$12,302.4	$13,060.8	$520.1	$555.1	4.8%	4.7%
Middle 20%	$45K-$76K	$21,459.3	$22,792.8	$1,101.4	$1,161.3	10.1%	9.8%
Fourth 20%	$76K-$132K	$36,234.4	$38,671.8	$1,970.2	$2,098.9	18.0%	17.7%
Next 15%	$132K-$269K	$48,486.2	$52,045.9	$3,135.2	$3,386.7	28.7%	28.5%
Next 4%	$269K-$597K	$26,156.0	$28,496.8	$2,040.9	$2,241.3	18.7%	18.9%
Top 1%	Above $597K	$24,554.4	$27,510.8	$2,078.4	$2,340.2	19.0%	19.7%
Total	All Quintiles	**$171,829.6**	**$185,437.4**	**$10,925.2**	**$11,869.8**	**100.0%**	**100.0%**

(1) Each quintile contains one-fifth of the total number of full-year resident returns, which is approximately 376,000.
(2) The AGI breakpoints between the quintiles were slightly different for tax year 2023.

Distribution of Returns, AGI, and Tax Liability by AGI levels. Exhibit 20 on the following page compares the percentage of full-year resident returns (left side) to the percentage of total tax liability (right side) by AGI levels for 2024.

Approximately 44 percent of filers reported AGI less than $50,000 in 2024. This group reported about 7 percent of the total tax liability. Filers with AGI above $300,000 represented only 4 percent of total returns but reported over 35 percent of total tax liability in 2024.

Exhibit 20 Returns and Tax Liability by AGI Levels
Full-Year Resident Returns–Tax Year 2024



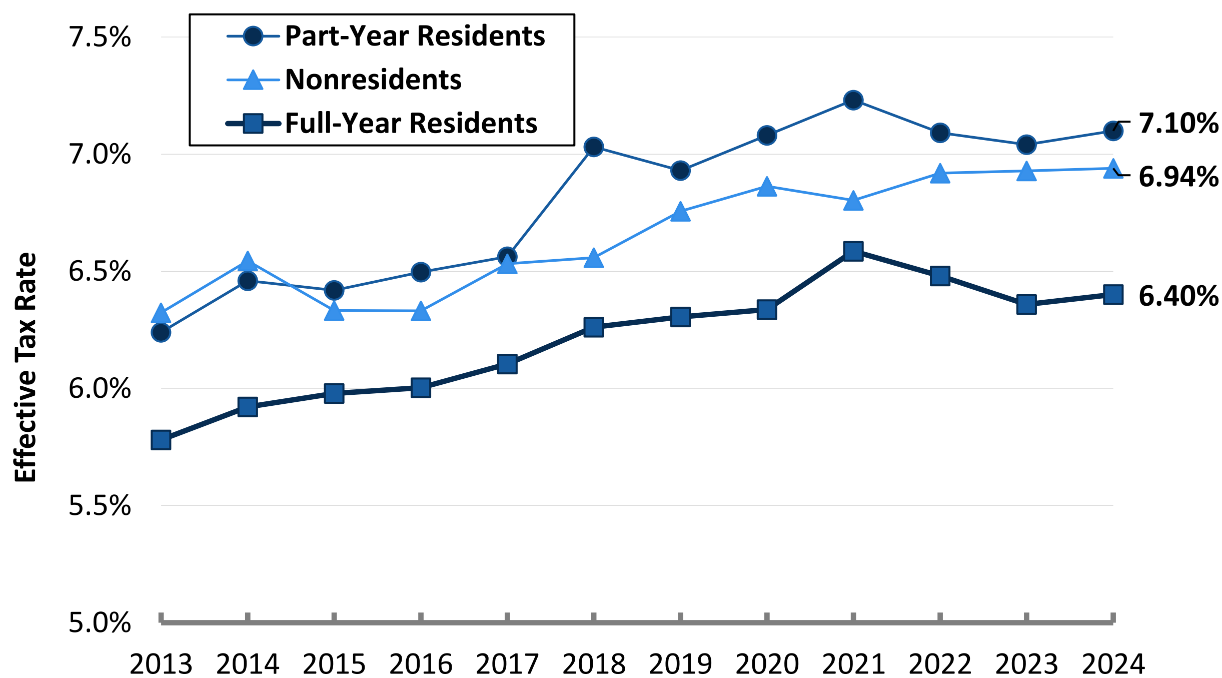
AGI Level (dollars)	Number of Returns	Share of Returns	Tax Liability ($ millions)	Share of Tax Liability
Under $25,000	432,410	22.4%	$122.2	1.0%
$25,000-$50,000	411,860	21.4%	$692.5	5.8%
$50,000-$75,000	306,510	15.9%	$966.4	8.1%
$75,000-$100,000	207,450	10.8%	$942.0	7.9%
$100,000-$125,000	151,360	7.9%	$940.9	7.9%
$125,000-$150,000	108,360	5.6%	$872.7	7.4%
$150,000-$175,000	76,500	4.0%	$769.6	6.5%
$175,000-$200,000	54,810	2.8%	$660.4	5.6%
$200,000-$225,000	38,420	2.0%	$563.8	4.7%
$225,000-$250,000	27,480	1.4%	$461.1	3.9%
$250,000-$275,000	20,100	1.0%	$382.2	3.2%
$275,000-$300,000	15,020	0.8%	$323.4	2.7%
Over $300,000	77,080	4.0%	$4,172.8	35.2%
Total	**1,927,360**	**100.0%**	**$11,869.8**	**100.0%**

Effective Tax Rates

Effective tax rate is generally tax divided by income, but the “tax” and “income” must be defined for the result to have meaning. Effective tax rate can be computed at the individual level or using aggregate data. For this section, effective tax rate will be defined in two different ways: first derived from AGI and defined as aggregate tax liability divided by aggregate Oregon AGI and second, derived from taxable income and defined as aggregate tax liability divided by aggregate taxable income.

Effective Tax Rates–Historical Trends. Exhibit 21 shows the effective tax rate as derived from AGI for tax years 2013 to 2024. Data for returns from full-year residents, part-year residents, and nonresidents are shown separately. The general upward trend of the effective rate is in part due to certain components of Oregon’s personal income tax system that are not adjusted for inflation and affect mainly high-income taxpayers. These components include the elimination of the exemption credit above a certain AGI, as mentioned above, the phase-out of the federal tax subtraction with income, and the top tax bracket. As taxpayers’ income increases with inflation over the years, they will have income taxed at a higher effective tax rate. On the other hand, the effective tax rate can decrease if less income is taxed at the highest marginal tax rate, as seen in 2022 and 2023 due to the large decrease in income from capital gains.

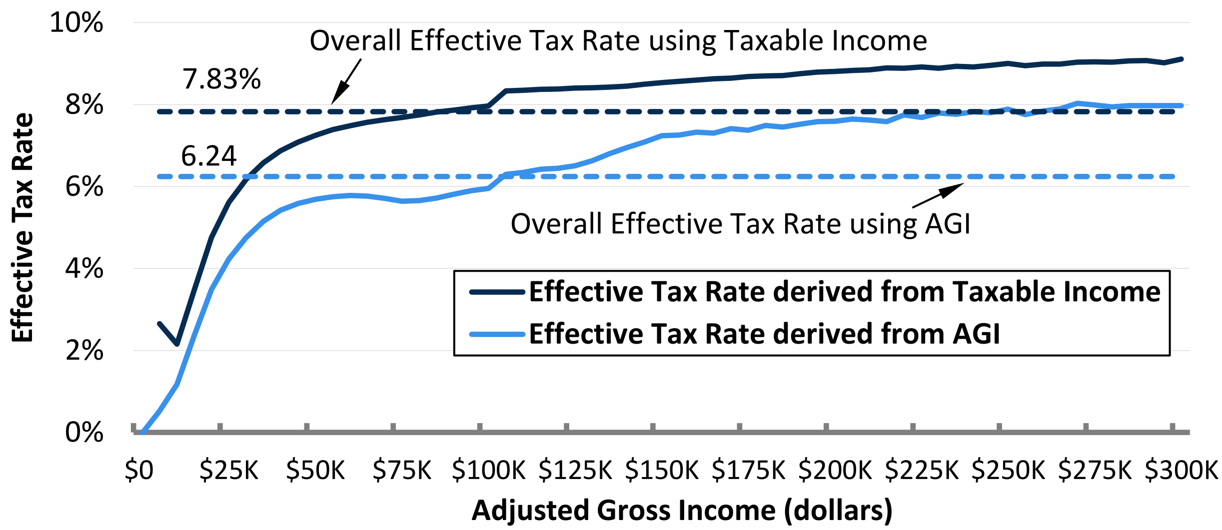
Exhibit 21 Effective Tax Rate Derived from AGI
All Form Types–Tax Years 2013 to 2024



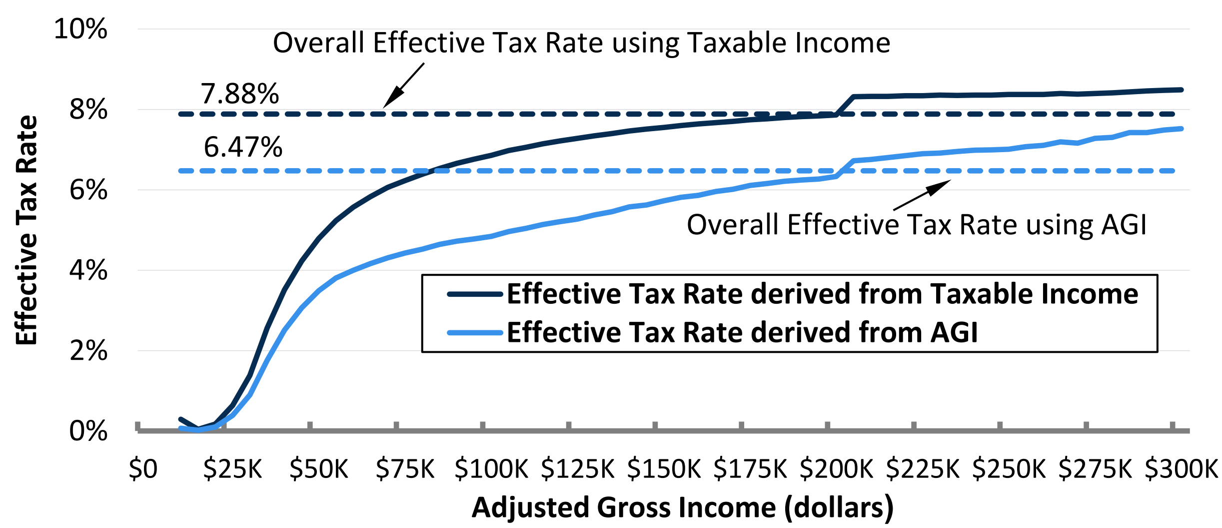
Effective Tax Rates by AGI. Exhibit 22 shows tax as a percentage of AGI (effective tax rate derived from AGI) and as a percentage of taxable income (effective tax rate derived from taxable income) for full-year resident returns by adjusted gross income. The top chart shows returns where tax was computed using the S tax brackets (single or married filing separately filing statuses), and the bottom shows returns where tax was computed using the J tax brackets (married filing jointly, head of household, or qualifying surviving spouse statuses).

Exhibit 22 Effective Tax Rates Derived from AGI and Taxable Income
Full-Year Resident Returns–Tax Year 2024

S Brackets–Single and Married Filing Separately



J Brackets–Married Filing Jointly, Head of Household, and Qualifying Surviving Spouse



The top curve on both charts shows the effective rate derived from taxable income. The effective rate increases quickly as additional income is taxed at increasing marginal tax rates of 4.75, 6.75, and 8.75 percent and then gradually approaches 9.9 percent beyond the limits of the chart. The effective tax rate cannot reach the highest marginal rate of 9.9 percent because even the highest income taxpayers have some income taxed at the 4.75, 6.75, and 8.75 percent rates. In addition, any tax credits claimed by taxpayers can reduce their effective tax rate.

The bottom curve on both charts shows the effective rate derived from AGI. It has the same general shape as the top curve but shifted down on the percent scale. Taxable income is generally less than AGI, as taxable income is AGI plus additions minus subtractions and deductions, which on average lowers the effective rate derived from AGI compared to that derived from taxable income.

An overall effective tax rate is the required rate necessary to raise the same amount of revenue as current tax law if the tax rate was a flat percentage applied to AGI or taxable income. This is shown by the dotted lines in both charts. For example, taxpayers using S brackets would pay a flat rate of 6.24 percent and taxpayers using J brackets would pay a flat rate of 6.47 percent of their AGI or taxpayers would pay flat rates of 7.83 percent and 7.88 percent, respectively, of their taxable income.

There are a couple of interesting features to note from the charts. The jump in the curves at an AGI of $100,000 for S bracket returns and at an AGI of $200,000 for J brackets returns is due to the elimination of the personal exemption credit above those income values and hence the effective tax rate increases when the exemption credit can no longer reduce the tax. On the effective rate curve from AGI for S brackets returns, the effective tax rate goes down between AGIs of about $55,000 to $65,000. This is a result of the interaction between Oregon's income tax brackets and the federal tax brackets when taxpayers claim the subtraction for a federal tax liability. This effect is further enhanced for single taxpayers because they effectively have twice the limit of federal tax liability they are allowed to subtract compared to married filing jointly taxpayers. The actual limit is the same for both groups, so for married filing jointly filers, the limit per taxpayer is half that of single taxpayers.

Section 4.4: Forms 1040 and OR-40 for Full-Year Resident Returns–Data & Trends

This section presents detailed data and trends by stepping though many of the entries sequentially on the federal Form 1040 and Oregon Form OR-40 for full-year resident returns as discussed in Section 3, Personal Income Tax Calculation.

Income from Form 1040–Types and Trends

Types of Income. Exhibit 23 on the following page shows the types of income reported on federal Form 1040 for 2023 and 2024 with the corresponding number of returns that claimed that type of income, the average amount claimed per return, and the total amount of that type of income for full-year resident filers. For several types of income (capital gains, other gains, business income, rents, partnerships, S corporations, and farm income), it is possible for an individual to report a loss, represented by a negative number. Wages are the dominant source of income, representing nearly $119 billion of the $188 billion total gross income, or 63 percent of the total in 2024.

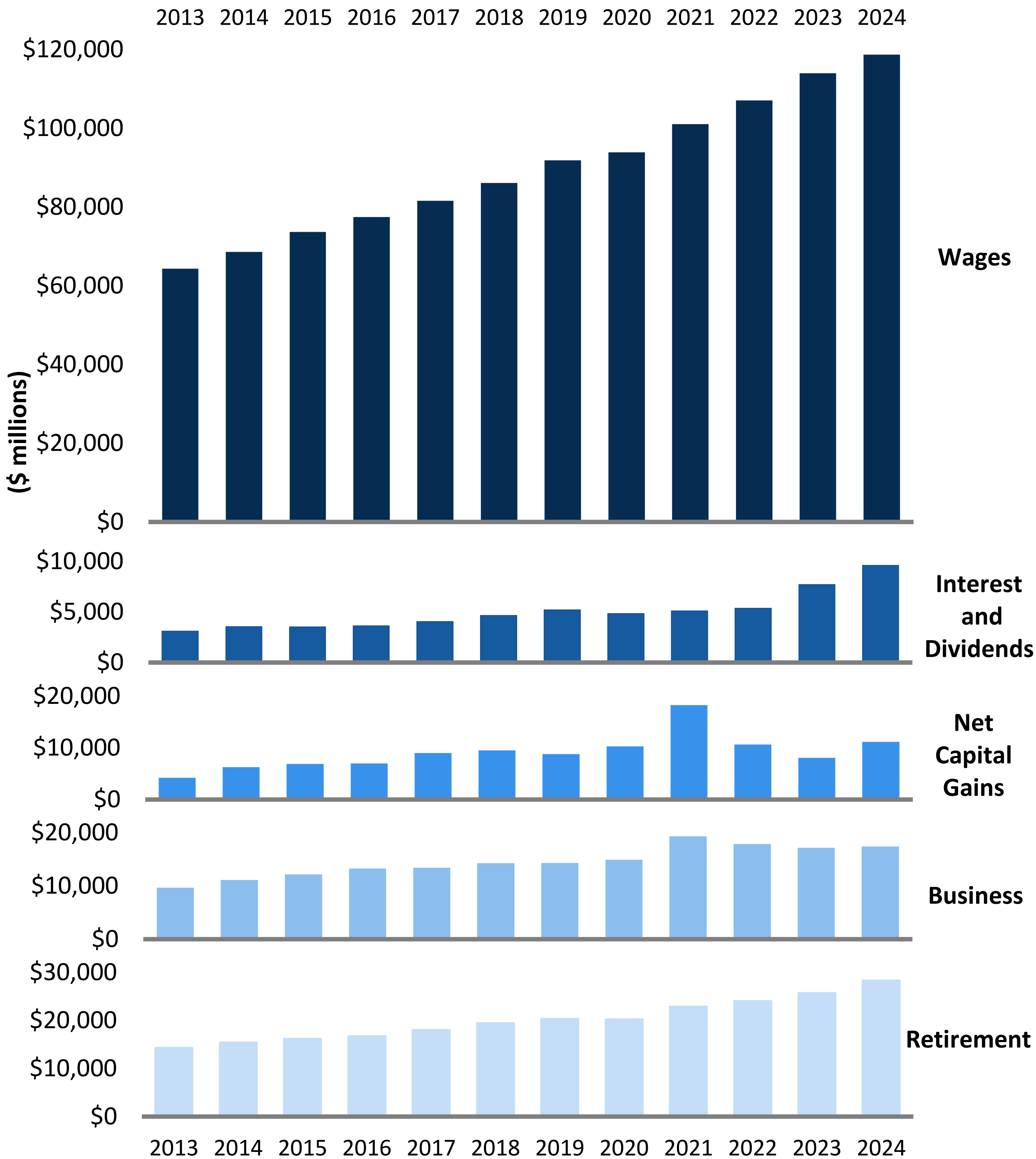
Categories of Income–Historical Trends. Exhibit 24 on page 37 shows the income reported on federal returns historically for similar income types grouped into categories for tax years 2013 through 2024 for full-year resident filers. The interest and dividend income category are comprised of passive types of investments. The category of net capital gains includes capital gains (or losses) and other gains (or losses) from sales of business property. In addition to business income, the business category includes rent, partnership, and S corporation income. The retirement category includes taxable pensions, such as pension income, taxable portions of Social Security income, and taxable IRA distributions. The remaining miscellaneous income types, namely unemployment, farm, state tax refunds, alimony, and other income, account for a net of about $439 million (or about 0.2 percent) of the total gross income in 2024 and are not included in this exhibit.

Exhibit 23 Federal Income by Type
Full-Year Resident Returns–Tax Years 2023 and 2024

Income Type	2023 Number of Returns	2024 Number of Returns	2023 Average per Return ($)	2024 Average per Return ($)	2023 Total ($ millions)	2024 Total ($ millions)	% Change 2023 to 2024
Wages, Salaries, Tips	1,509,370	1,501,010	$75,510	$79,080	$113,978.8	$118,702.8	4.1%
Interest	845,200	888,620	$3,390	$4,600	$2,868.4	$4,090.9	42.6%
Dividends	441,930	458,540	$10,970	$12,050	$4,846.7	$5,526.2	14.0%
Capital Gain (loss)	396,850	416,560	$19,880	$26,400	$7,888.7	$10,996.6	39.4%
Other Gain (loss)	20,170	20,330	$6,910	$5,710	$139.4	$116.1	-16.7%
Business Income (loss)	296,620	300,490	$16,540	$15,790	$4,906.1	$4,744.2	-3.3%
Rent, Part., S Corp income (loss)	220,760	220,510	$55,170	$57,180	$12,180.2	$12,608.1	3.5%
IRA Distributions	249,580	261,960	$24,310	$27,750	$6,066.5	$7,269.4	19.8%
Pensions	367,010	366,410	$33,140	$34,570	$12,162.8	$12,665.4	4.1%
Social Security Benefits	360,290	375,480	$20,710	$22,290	$7,462.9	$8,371.1	12.2%
Unemployment Compensation	90,480	114,660	$6,620	$7,450	$599.1	$854.4	42.6%
Farm Income (loss)	27,130	26,870	-$14,400	-$14,580	-$390.6	-$391.6	*
State Tax Refunds	64,420	89,130	$1,370	$2,410	$88.5	$215.3	143.1%
Alimony	3,510	2,960	$25,070	$25,450	$88.0	$75.3	-14.5%
Other Income (loss)	174,360	200,250	$4,140	$7,200	$721.1	$1,441.0	*
Total					**$173,606.6**	**$187,285.0**	**7.9%**

*Growth in total is not computed when the particular income type has a significant negative component.

Exhibit 24 Categories of Income
Full-Year Resident Returns–Tax Years 2013 to 2024



Adjustments from Form 1040–Types and Trends

Adjustments are elements on the federal Form 1040 that are deductions (often referred to as above-the-line deductions) that all filers are allowed to take if they qualify, including those who claim the standard deduction. Adjustments are subtracted from total federal income when computing federal AGI. Examples include IRA contributions, moving expenses, and student loan interest.

Types of Adjustments. Exhibit 25 below shows the types of federal adjustments claimed on full-year resident returns in 2023 and 2024 with the corresponding number of returns claiming the adjustment, the average claimed, and the total amount.

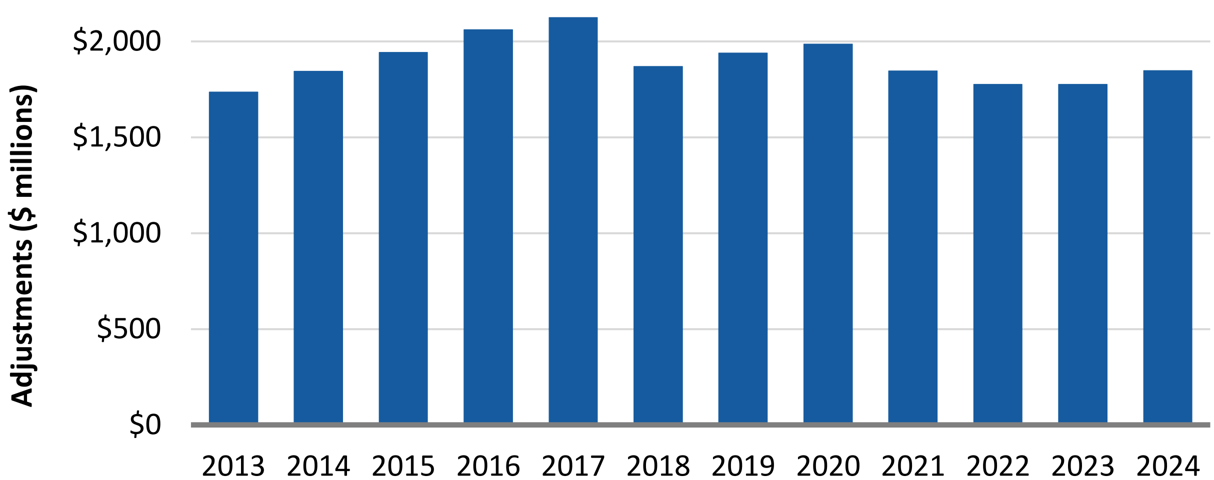
Exhibit 25 Federal Adjustments by Type
Full-Year Resident Returns–Tax Years 2023 and 2024

Adjustment	2023 Number of Returns	2024 Number of Returns	2023 Average per Return ($)	2024 Average per Return ($)	2023 Total ($ millions)	2024 Total ($ millions)	% Change 2023 to 2024
Self-Emp Health Insurance	60,610	60,230	$7,780	$8,040	$471.4	$484.5	2.8%
Self-Employment Tax	235,670	235,640	$1,970	$2,020	$464.4	$475.1	2.3%
SEP, SIMPLE	13,570	13,520	$24,920	$25,290	$338.1	$341.9	1.1%
IRA Contributions	37,550	37,940	$5,310	$5,500	$199.4	$208.6	4.6%
Alimony Paid	96,460	111,100	$650	$970	$62.9	$107.5	71.0%
Health Savings Accounts	24,890	24,950	$3,300	$3,460	$82.1	$86.4	5.2%
Student Loan Interest	4,660	3,960	$20,130	$19,920	$93.7	$78.9	-15.8%
Educator Expenses	35,770	35,820	$290	$300	$10.5	$10.7	1.9%
Employee Business Expenses	1,780	1,690	$5,000	$5,360	$8.9	$9.0	1.6%
Penalty on Early Withdrawal	8,460	7,210	$740	$660	$6.3	$4.8	-23.6%
Moving Expenses	520	420	$2,540	$2,810	$1.3	$1.2	-10.7%
Other/Unknown	4,700	6,070	$8,100	$6,440	$38.0	$39.1	2.7%
Total	NA	NA	NA	NA	$1,777.0	$1,847.6	4.0%

The first three adjustments listed above are associated with self-employed taxpayers who report business income on Schedules C, E, or F, and together account for about 70 percent of the total dollar amount of adjustments claimed. Those taxpayers may be able to deduct from total income half of payments made for their own Social Security and Medicare taxes, portions of payments for health insurance, and portions of contributions made to SEP, SIMPLE, and other qualified retirement plans.

Adjustments–Historical Trends. Exhibit 26 below shows the trend in total federal adjustments since 2013 for full-year resident returns.

Exhibit 26 Total Federal Adjustments
Full-Year Resident Returns–Tax Years 2013 to 2024



Tax Year	Number of Returns Claiming Adjustments	Average Adjustments Claimed per Return with Adjustments ($)	Total Adjustments ($ millions)	Annual Growth Rate of Total
2013	425,040	$4,090	$1,736.3	4.8%
2014	440,370	$4,190	$1,844.8	6.2%
2015	452,430	$4,290	$1,942.6	5.3%
2016	466,710	$4,420	$2,061.3	6.1%
2017	468,520	$4,530	$2,124.5	3.1%
2018	451,630	$4,140	$1,869.2	-12.0%
2019	473,100	$4,100	$1,939.5	3.8%
2020	799,590	$2,480	$1,985.6	2.4%
2021	377,510	$4,890	$1,846.3	-7.0%
2022	370,280	$4,800	$1,775.6	-3.8%
2023	409,870	$4,340	$1,777.0	0.1%
2024	422,520	$4,370	$1,847.6	4.0%

Additions from Form OR-40–Trends

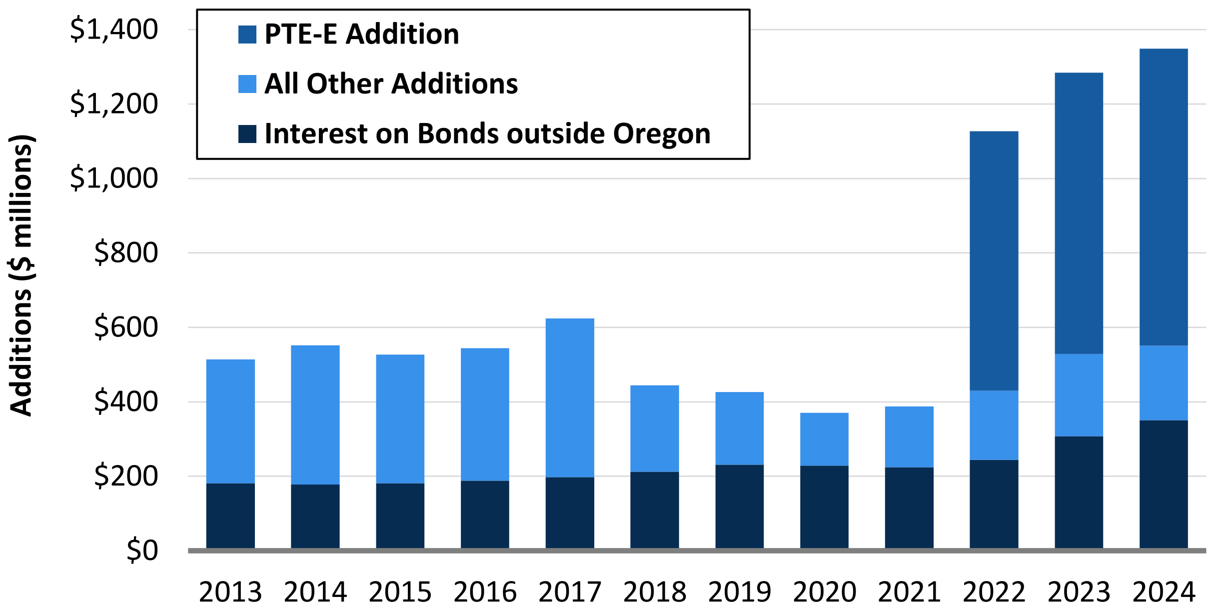
Additions are elements that represent income not taxed by the federal government but taxed by Oregon and federal deductions from AGI that Oregon does not allow. They are added to AGI on the Oregon form. Examples include interest on government bonds from other states and charitable donations not allowed for Oregon.

Exhibit 27 on the following page shows the total of Oregon additions from 2013 to 2024. Historically, the addition for interest and bonds outside of Oregon has been the largest addition and is shown separately.

Any taxpayer deducting their Oregon Pass-Through Entity Elective (PTE-E) tax on their 1040 must add back that deduction so that the PTE-E deduction does not affect their Oregon taxable income. This addition is shown separately and has been in effect since tax year 2023. In tax year 2024, about 21,000 full-year resident returns reported this addition.

One action of the Legislative Assembly in 2018 was to disconnect from the federal 20 percent qualified business income deduction enacted by the Tax Cuts and Jobs Act. Because this is a deduction from federal AGI (also known as a below-the-line deduction), and the full-year resident Oregon return starts with federal AGI, the deduction is not included on the Oregon return, so an Oregon addition is not needed. From the federal 2024 return data, about 360,000 full-year returns claimed $2.64 billion for the qualified business income deduction, which was included their Oregon taxable income.

Exhibit 27 Oregon Additions
Full-Year Resident Returns—Tax Years 2013 to 2024



Tax Year	Total Addition for Interest on Bonds Outside Oregon ($ millions)	Total Addition for PTE-E Tax Deducted on 1040 ($ millions)	Total Other Additions ($ millions)	Total All Additions ($ millions)	Annual Growth Rate All Additions
2013	$180.9	NA	$333.1	$514.0	5.1%
2014	$177.9	NA	$373.9	$551.8	7.4%
2015	$181.0	NA	$346.2	$527.2	-4.5%
2016	$188.1	NA	$356.2	$544.3	3.2%
2017	$197.3	NA	$426.6	$623.9	14.6%
2018	$212.5	NA	$232.3	$444.8	-28.7%
2019	$231.1	NA	$195.7	$426.8	-4.1%
2020	$228.7	NA	$142.1	$370.8	-13.1%
2021	$224.2	NA	$163.1	$387.3	4.5%
2022	$244.4	$697.7	$185.3	$1,127.3	191.0%
2023	$307.3	$755.6	$221.4	$1,284.3	13.9%
2024	$350.3	$798.0	$200.3	$1,348.6	5.0%

Subtractions from Form OR-40–Types and Trends

Subtractions represent income taxed by the federal government but not taxed by Oregon, as well as Oregon deductions from AGI that are not allowed at the federal level. They are subtracted from AGI on the Oregon return. Examples include qualifying federal pension income, interest from US bonds, and medical expenses beyond what is allowed at the federal level for elderly taxpayers.

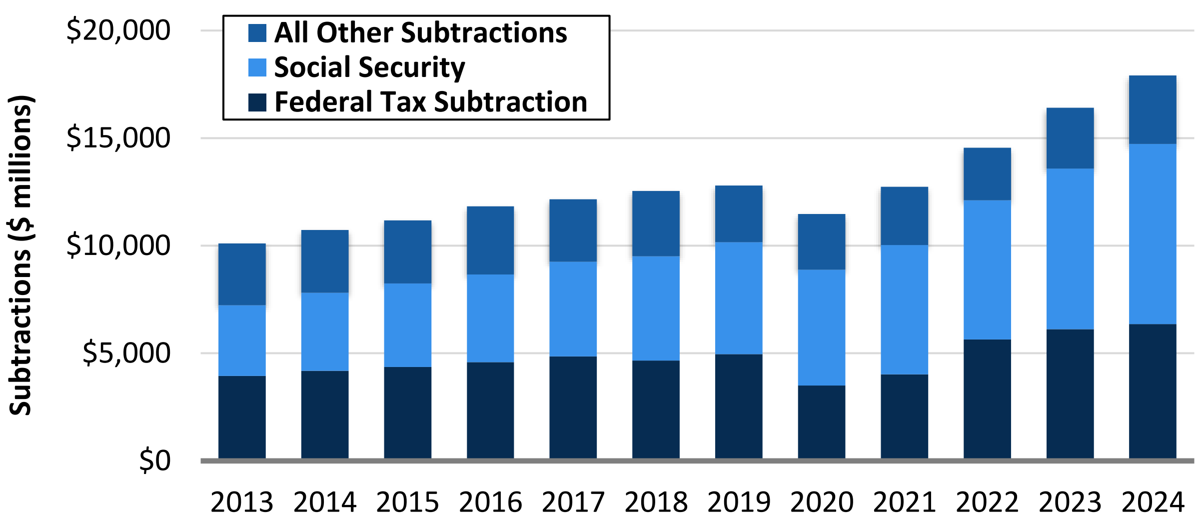
Types of Subtractions. Exhibit 28 shows the number of returns that claimed the most common subtractions, the average amount per return, and the total amount of the subtraction claimed in 2023 and 2024.

Exhibit 28 Oregon Subtractions by Type
Full-Year Resident Returns–Tax Years 2023 and 2024

Subtraction	2023 Number of Returns	2024 Number of Returns	2023 Average per Return ($)	2024 Average per Return ($)	2023 Total ($ millions)	2024 Total ($ millions)	% Change 2023 to 2024
Social Security	360,270	375,450	$20,720	$22,300	$7,463.6	$8,371.8	12.2%
Federal Tax	1,313,790	1,304,880	$4,660	$4,870	$6,118.5	$6,359.1	3.9%
Federal Pension	33,310	31,690	$26,800	$27,240	$892.6	$863.4	-3.3%
Elderly Medical	274,240	268,240	$1,600	$1,600	$439.4	$430.3	-2.1%
Military Pay	9,280	8,340	$34,650	$36,350	$321.5	$303.2	-5.7%
U.S. Bonds	100,780	113,910	$5,080	$7,190	$512.1	$818.7	59.9%
Income Tax Refunds	62,270	86,260	$1,450	$2,460	$90.4	$211.9	134.4%
Other Subtractions	82,770	83,950	$6,940	$6,690	$574.0	$561.4	-2.2%
Total	NA	NA	NA	NA	**$16,412.2**	**$17,919.8**	**9.2%**

Subtractions–Historical Trends. Exhibit 29 shows Oregon total subtractions generally increasing since 2013. The subtractions that taxpayers are allowed for their federal tax liability and Social Security benefits are shown separately, as they account for about 82 percent of the total subtractions. The reduction of the federal tax subtraction for 2020 and 2021 was due primarily to federal legislation in response to the COVID-19 pandemic, specifically the refundable Recovery Rebate Credit for tax years 2020 and 2021. Generally, qualifying taxpayers received advance payments of the credit (Economic Impact Payments). Taxpayers had to subtract the total amount of the credit from any advance payments and any credit claimed on their federal return when calculating their allowed subtraction for federal tax.

Exhibit 29 Oregon Subtractions
Full-Year Resident Returns–Tax Years 2013 to 2024



Tax Year	Total Federal Tax Subtraction ($ millions)	Total Social Security Subtraction ($ millions)	Total Other Subtractions ($ millions)	Total All Subtractions ($ millions)	Annual Growth Rate All Subtractions
2013	$3,945.7	$3,292.9	$2,869.1	$10,107.7	9.2%
2014	$4,190.1	$3,623.1	$2,911.5	$10,724.7	6.1%
2015	$4,368.4	$3,876.5	$2,930.0	$11,174.9	4.2%
2016	$4,589.9	$4,076.8	$3,167.3	$11,834.1	5.9%
2017	$4,852.5	$4,402.9	$2,902.2	$12,157.6	2.7%
2018	$4,660.0	$4,844.0	$3,037.2	$12,541.1	3.2%
2019	$4,955.4	$5,206.9	$2,635.1	$12,797.5	2.0%
2020	$3,506.8	$5,375.4	$2,592.7	$11,474.8	-10.3%
2021	$4,028.8	$5,999.3	$2,716.9	$12,744.9	11.1%
2022	$5,642.5	$6,475.0	$2,427.9	$14,545.5	14.1%
2023	$6,118.5	$7,463.6	$2,830.1	$16,412.2	12.8%
2024	$6,359.1	$8,371.8	$3,188.9	$17,919.8	9.2%

Deductions from Form OR-40 and Schedule OR-A–Types and Trends

Filers may reduce the amount of taxable income by deducting the greater of the Oregon standard deduction or the sum of their Oregon itemized deductions.

Standard and Itemized Deductions. Exhibit 30 shows the number of returns, average deduction per return, and total amount of the standard and itemized deductions claimed in 2023 and 2024 for full-year resident returns.

Exhibit 30 Oregon Standard and Itemized Deductions
Full-Year Resident Returns–Tax Years 2023 and 2024

Deduction	2023 Number of Returns	2024 Number of Returns	2023 Average per Return ($)	2024 Average per Return ($)	2023 Total ($ millions)	2024 Total ($ millions)	% Change 2023 to 2024
Standard	1,130,250	1,124,620	$3,510	$3,680	$3,966.1	$4,144.1	4.5%
Itemized*	798,450	802,740	$18,600	$19,880	$14,852.7	$15,961.8	7.5%
Total	**1,928,700**	**1,927,360**	**$9,760**	**$10,430**	**$18,818.7**	**$20,105.9**	**6.8%**

*Oregon itemized deductions do not include a deduction for Oregon state income tax paid.

Types of Itemized Deduction from Schedule OR-A. Taxpayers may also choose to itemize their deductions on their federal return rather than taking the federal standard deduction. Oregon allows the same itemized deductions as the federal government with one exception: Oregon does not allow a deduction for Oregon income tax or sales tax. Examples of itemized deductions include property taxes paid, charitable gifts, and mortgage interest.

Beginning with tax year 2018, Congress made changes to the federal standard and itemized deductions. The federal standard deduction was increased significantly, and for 2024 those amounts were $14,600 for single filers and $29,200 for joint filers. Because Oregon's standard deduction is lower than the federal standard deduction, many taxpayers use itemized deductions to calculate Oregon tax but not federal tax. The Oregon Department of Revenue created a new schedule, Schedule OR-A, to supplant the federal Schedule A with this increase in "Oregon-only" itemizers in mind. The department now requires any taxpayer claiming itemized deductions to use the new schedule. **Exhibit 31** on the following page shows the itemized deductions as claimed on Schedule OR-A for full-year resident filers.

Exhibit 31 Oregon Itemized Deductions by Type
Full-Year Resident Returns–Tax Years 2023 and 2024

Itemized Deduction	2023 Number of Returns	2024 Number of Returns	2023 Average per Return ($)	2024 Average per Return ($)	2023 Total ($ millions)	2024 Total ($ millions)	% Change 2023 to 2024
Medical and Dental Expenses	222,900	215,000	$9,630	$10,070	$2,150	$2,170	0.9%
Taxes Paid*	742,200	744,800	$4,950	$5,140	$3,680	$3,830	4.1%
Interest Paid**	584,900	586,100	$9,780	$10,860	$5,720	$6,360	11.2%
Gifts to Charity	509,200	511,700	$5,700	$6,090	$2,900	$3,120	7.6%
Other Miscellaneous	22,400	24,000	$18,790	$21,000	$420	$500	19%

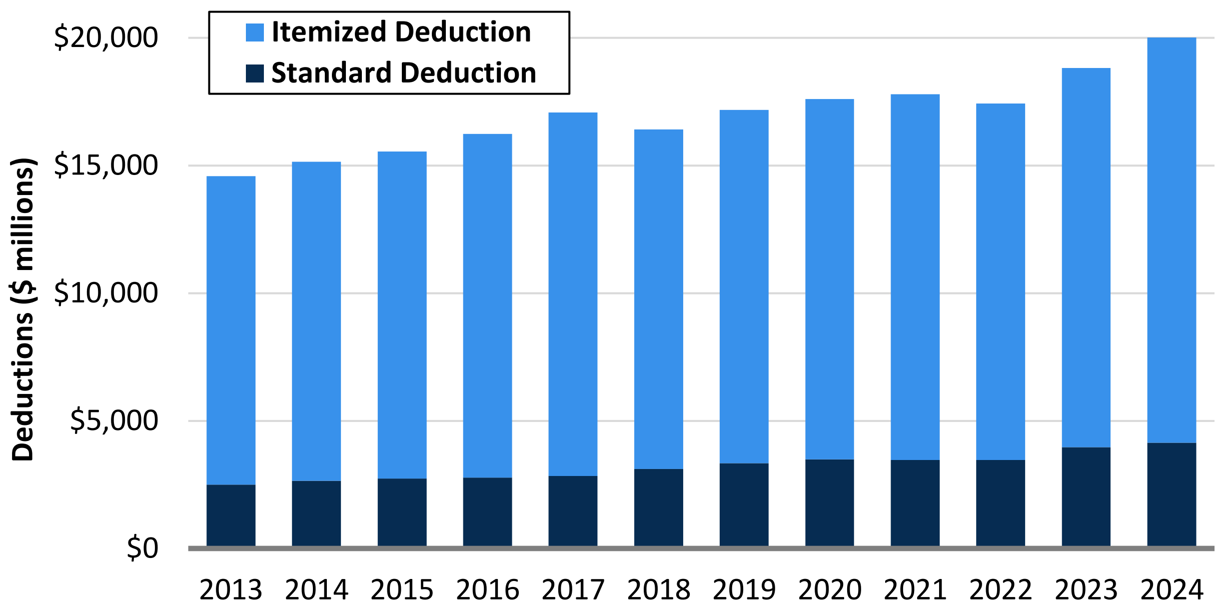
*Does not include Oregon income tax paid but does include taxes paid for other state and local tax, real estate, personal property, and other taxes.

**Includes interest paid for mortgage interest and points, and investment interest.

Standard and Itemized Deductions–Historical Trends. Exhibit 32 on the following page shows the total amount claimed on Oregon full-year resident returns for those returns claiming either the standard deduction or itemized deductions.

Additionally, the 2018 federal change limited the itemized deduction for state and local taxes to $10,000 and the itemized deductions for casualty and theft losses (except for those related to federally declared disasters) and various miscellaneous itemized deductions over 2 percent above AGI were eliminated. The net effect of the changes was that the percentage of Oregon taxpayers who itemized at the federal level dropped from about 39 percent in 2017 to below 15 percent since 2018. Because the Oregon standard deduction did not change (except for inflation adjustments), the percentage of taxpayers itemizing for Oregon has decreased only slightly since 2017.

Exhibit 32 Oregon Standard and Itemized Deductions
Full-Year Resident Returns–Tax Years 2013 to 2024



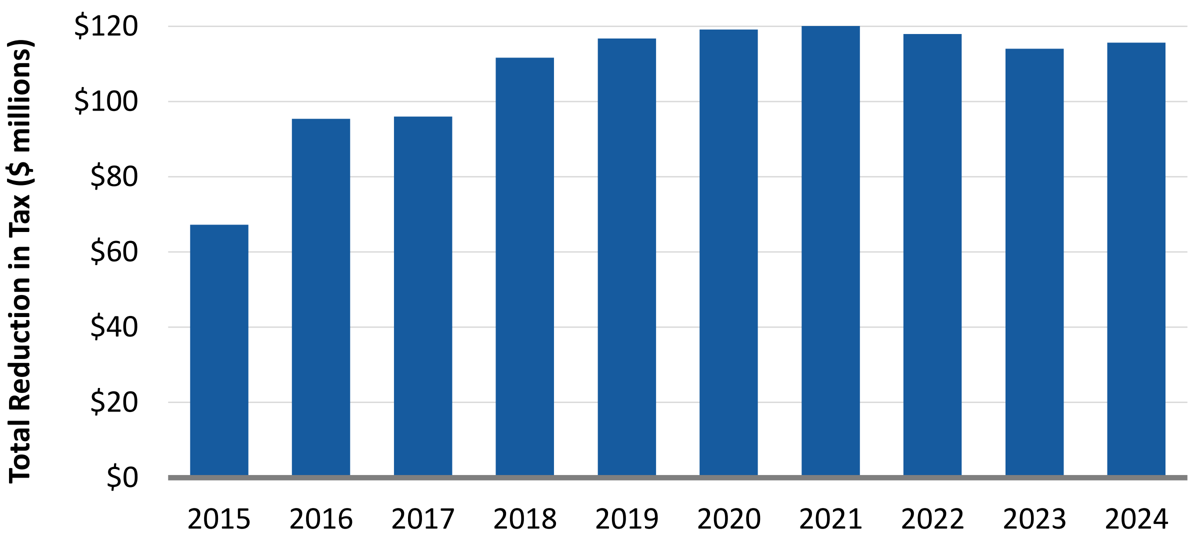
Tax Year	Total Standard Deductions ($ millions)	Share of Standard Deduction Returns	Total Itemized Deductions ($ millions)	Share of Itemized Deduction Returns	Total Deductions ($ millions)	Annual Growth Rate of Total
2013	$2,504.2	53.2%	$12,084.7	46.8%	$14,588.9	-8.2%
2014	$2,646.7	54.1%	$12,504.9	45.9%	$15,151.6	3.9%
2015	$2,734.7	54.3%	$12,811.1	45.7%	$15,545.8	2.6%
2016	$2,780.6	54.0%	$13,451.3	46.0%	$16,231.9	4.4%
2017	$2,839.7	53.8%	$14,235.7	46.2%	$17,075.4	5.2%
2018	$3,117.6	56.7%	$13,299.0	43.3%	$16,416.6	-3.9%
2019	$3,344.5	57.8%	$13,837.9	42.2%	$17,182.5	4.7%
2020	$3,494.7	58.4%	$14,107.1	41.6%	$17,601.7	2.4%
2021	$3,469.4	57.7%	$14,324.8	42.3%	$17,794.2	1.1%
2022	$3,469.7	56.8%	$13,955.5	43.2%	$17,425.2	-2.1%
2023	$3,966.1	58.6%	$14,852.7	41.4%	$18,818.7	8.0%
2024	$4,144.1	58.4%	$15,961.8	41.6%	$20,105.9	6.8%

QBI Tax Rate Claimants from Form OR-40–Trend

A reduced tax rate structure on income from businesses that meet certain requirements has been available to Oregon personal income taxpayers since tax year 2015. See Section 3, Personal Income Tax Calculation, page 10 for details.

Exhibit 33 shows the number of full-year filers who have calculated their tax using the reduced tax rate structure on qualified business income for tax years 2015 through 2024 and the reduction in net tax before any credits are applied.

Exhibit 33 Qualified Business Income (QBI) Reduced Tax Rate
Full-Year Resident Returns–Tax Years 2015* to 2024



Tax Year	Returns Claiming QBI Reduced Tax Rate	Average Reduction in Tax** ($)	Total Reduction in Tax** ($ millions)	Annual Growth Rate of Total
2015	13,350	$5,040	$67.3	NA
2016	22,480	$4,240	$95.4	41.8%
2017	21,300	$4,510	$96.0	0.7%
2018	25,190	$4,430	$111.6	16.2%
2019	25,950	$4,500	$116.8	4.6%
2020	23,140	$5,150	$119.1	2.0%
2021	23,480	$5,220	$122.6	2.9%
2022	23,400	$5,040	$118.0	-3.7%
2023	22,370	$5,100	$114.1	-3.3%
2024	22,560	$5,130	$115.6	1.4%

*The qualified business income tax rate began in 2015
**Tax before any credits are applied

Credits from Form OR-40–Types and Trends

A tax credit reduces tax liability on a dollar-for-dollar basis. Most credits are not refundable, which means they can only reduce tax liability to zero. If a filer has more nonrefundable credits than the tax liability, the excess credit is lost (standard credit) or carried forward to the next tax year (carryforward credit). If the taxpayer has refundable credits exceeding the tax liability (after subtracting nonrefundable credits), the taxpayer receives payment for the excess portion of the refundable credits. Some credits are specifically intended for businesses, but the tax credit may be claimed on the personal income tax return, if the taxpayer is the owner of a sole proprietorship or a shareholder in an S corporation that received the credit, or if the taxpayer purchased a transferable tax credit from another entity.

Types of Standard Credits. Standard credits are nonrefundable credits that can only be claimed on the current year's tax return. Credit amounts claimed but not used in the current year are lost. **Exhibit 34** shows the amounts claimed for standard credits and the amounts used to reduce tax liability by full-year return filers in 2024. Generally, the higher the percentage of a particular credit used, the greater the taxpayer's tax liability as compared to the value of the credit. Each standard credit shown has a total amount claimed of at least $1 million.

Exhibit 34 Oregon Standard Credits by Type–Claimed and Used
Full-Year Resident Returns–Tax Year 2024

Standard Credit	Number of Returns Claiming Credit	Average Claimed ($)	Average Used ($)	Total Claimed ($ millions)	Total Used ($ millions)	% Used
Exemption	1,559,840	$470	$420	$725.4	$654.9	90%
Income Taxes Paid to Another State	20,580	$3,400	$3,390	$69.9	$69.7	>99%
Pass-through Taxes Paid to Another State	1,250	$12,400	$12,250	$15.5	$15.3	99%
Rural Medical Practice	1,420	$4,220	$4,170	$6.0	$5.9	99%
Oregon Cultural Trust Donation	7,320	$580	$570	$4.2	$4.1	98%
Political Contributions	47,200	$70	$62	$3.3	$2.9	89%
Retirement	2,820	$370	$170	$1.1	$0.5	45%
Other Credits*	240	$3,890	$1,410	$0.9	$0.3	36%
Total	NA	NA	NA	**$826.30**	**$753.7**	**91%**

*Includes credits for mutually-taxed gain on the sale of residential property, Oregon Veterans' Home physician, reservation enterprise zone, and rural emergency medical technicians.

The exemption credit was the most widely claimed credit with nearly 1.6 million full-year filers claiming $725 million in credits. The exemption credit is available to nearly all filers, except for those claimed as a dependent on another tax return, single and married filing separate filers with AGI above $100,000, and married filing jointly, head of household, and qualifying surviving spouse filers with AGI above $200,000. About 90 percent of the allowable credit amount was used, with the remaining 10 percent unused because the credit amount claimed exceeded the tax liability.

Types of Carryforward Credits. Carryforward credits are nonrefundable credits for which any unused portion from the current tax year may be carried to the following tax year. The number of years that a credit can be carried forward varies according to the carryforward rules of that credit. **Exhibit 35** shows data from full-year filers on the amount of carryforward credit from the previous tax year, the amount of credit awarded in the current tax year, and the credit used in the current tax year for carryforward credits with at least $300,000 available. The credit available for the taxpayer to use in the current year is the amount carried forward from a prior year plus the credit amount awarded for the current year. Any credit the taxpayer is not able to use in the current year may be carried forward to the following year if the carryforward period has not expired.

Exhibit 35 Oregon Carryforward Credits by Type
Full-Year Resident Returns–Tax Year 2024

Carryforward Credit	Number of Returns Claiming Credit	Carryforward from Previous Year Total ($ millions)	Awarded Current Year Total ($ millions)	Total Used ($ millions)	Average Used ($)
Individual Development Account Donation	330	$1.1	$7.0	$7.3	$22,400
Oregon Production Investment Fund	140	$0.4	$7.7	$7.0	$50,800
Crop Donation	60	$0.3	$0.3	$0.1	$2,300
Residential Energy*	30	$0.3	$0.0	<$0.1	$600
Other Carryforward Credits	50	$0.8	$0.6	$0.5	$10,200
Total	NA	$2.7	$15.6	$15.0	NA

*Carryforward only.

Types of Refundable Credits. For refundable credits such as the Oregon earned income credit (EIC) and the working family household and dependent care credit, taxpayers use all their credits claimed, and any excess amount over their tax liability is received as a payment. **Exhibit 36** shows amounts claimed by full-year filers for the refundable credits for tax year 2024. Beginning in tax year 2022, the EIC was expanded to include taxpayers who would otherwise be ineligible for the EIC because they do not have a Social Security number (as required to claim the federal earned income tax credit) and use an ITIN (Individual Taxpayer Identification Number) to file their tax return. Data for the EIC for ITIN filers is also shown in this exhibit. Payments issued for refundable credits are described on page 57, as well as the refundable credit for taxes paid to the Oregon Pass-Through Entity Elective tax.

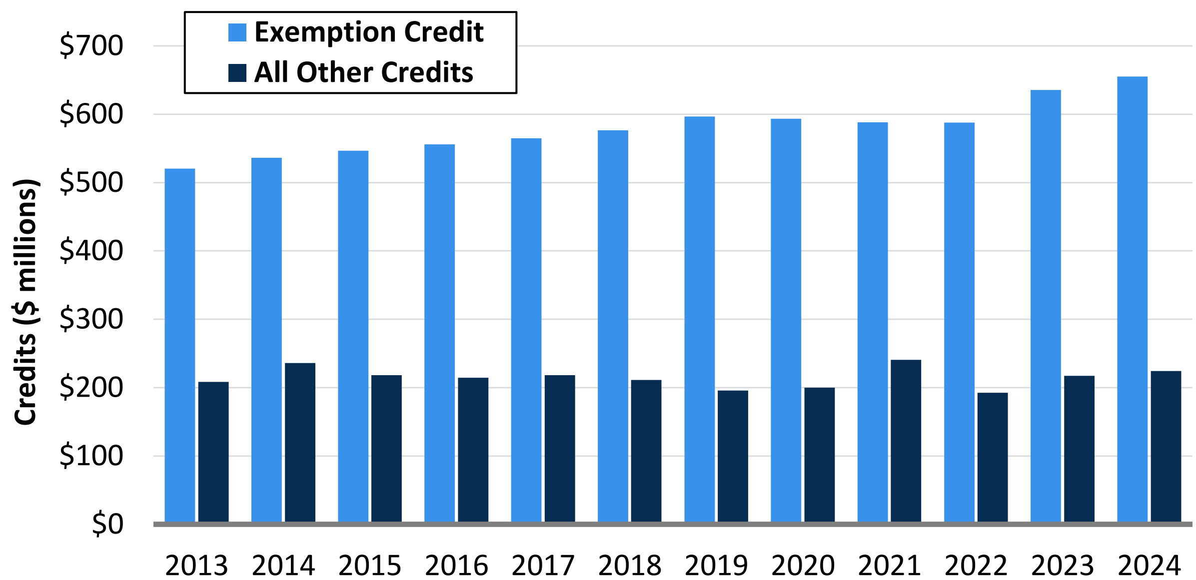
Exhibit 36 Oregon Refundable Credits by Type
Full-Year Resident Returns–Tax Year 2024

Refundable Credit	Number of Returns Claiming Credit	Average Used ($)	Total Used ($ millions)
Oregon Earned Income (EIC)*	211,270	$230	$49.0
Oregon EIC for ITIN filers	5,130	$330	$1.7
Oregon Kids Credit	28,860	$1,140	$33.0
Working Family Household and Dependent Care	13,540	$1,120	$15.2
Oregon 529 Account Contributions	39,920	$230	$9.1
Agricultural Employer Overtime	220	$9,030	$2.0
ABLE Account Contributions	1,740	$210	$0.4
Claim of Right	40	$2,000	<$0.1
Total	NA	NA	**$110.4**

*Includes only those filers that claimed the federal earned income tax credit

Credits–Historical Trends. **Exhibit 37** shows the recent history of Oregon credits used by full-year resident filers. Because most of the total is due to the exemption credit, it is shown separately.

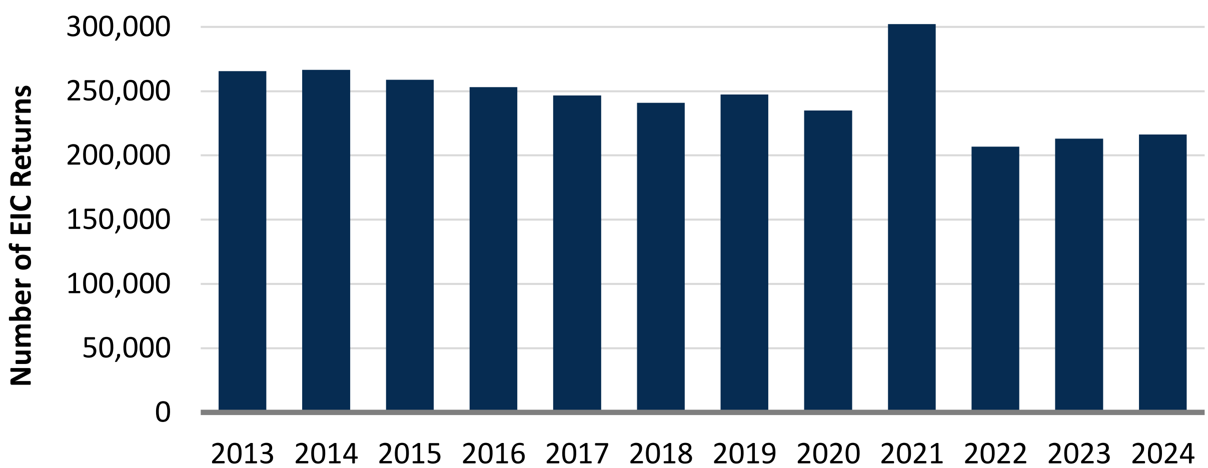
Exhibit 37 Oregon Credits Used
Full-Year Resident Returns–Tax Years 2013 to 2024



Tax Year	Total Exemption Credits Used ($ millions)	Annual Growth Rate Exemption	Total Other Credits Used ($ millions)	Annual Growth Rate Other	Total All Credits Used ($ millions)	Annual Growth Rate All Credits
2013	$520.2	-0.6%	$208.6	-1.0%	$728.8	-0.7%
2014	$536.1	3.0%	$236.0	13.1%	$772.1	5.9%
2015	$546.8	2.0%	$218.3	-7.5%	$765.1	-0.9%
2016	$556.1	1.7%	$214.3	-1.8%	$770.4	0.7%
2017	$564.6	1.5%	$218.1	1.8%	$782.8	1.6%
2018	$576.5	2.1%	$211.0	-3.3%	$787.5	0.6%
2019	$596.5	3.5%	$195.9	-7.2%	$792.4	0.6%
2020	$593.3	-0.5%	$199.8	2.0%	$793.1	0.1%
2021	$588.0	-0.9%	$240.6	20.4%	$828.6	4.5%
2022	$587.8	0.0%	$192.5	-20.0%	$780.3	-5.8%
2023	$635.6	8.1%	$217.1	12.8%	$852.7	9.3%
2024	$654.9	3.0%	$224.2	3.3%	$879.1	3.1%

Oregon Earned Income Credit–Historical Trends. Exhibit 38 shows the recent history of the Oregon EIC. Changes to the federal earned income tax credit (EITC) of which the Oregon EIC is a percentage and to the Oregon EIC affect the number of returns claiming the credit and the total amount claimed. Recently, the American Rescue Plan Act temporarily increased and expanded the federal EITC for 2021 for certain individuals without children, shown by the large increase the number of returns claiming the Oregon EIC. There have been have several changes to the Oregon EIC in the past 12 years: beginning with tax year 2014, the Oregon EIC increased from 6 to 8 percent of the federal credit; beginning with tax year 2017, the Oregon credit increased to 11 percent of the federal credit for taxpayers with at least one dependent under the age of three; and beginning in 2020, the Oregon credit percentages of the federal credit increased from 8 to 9 percent and from 11 to 12 percent for taxpayers with a dependent under the age of three.

Exhibit 38 Oregon Earned Income Credit*
Full-Year Resident Returns–Tax Years 2013 to 2024



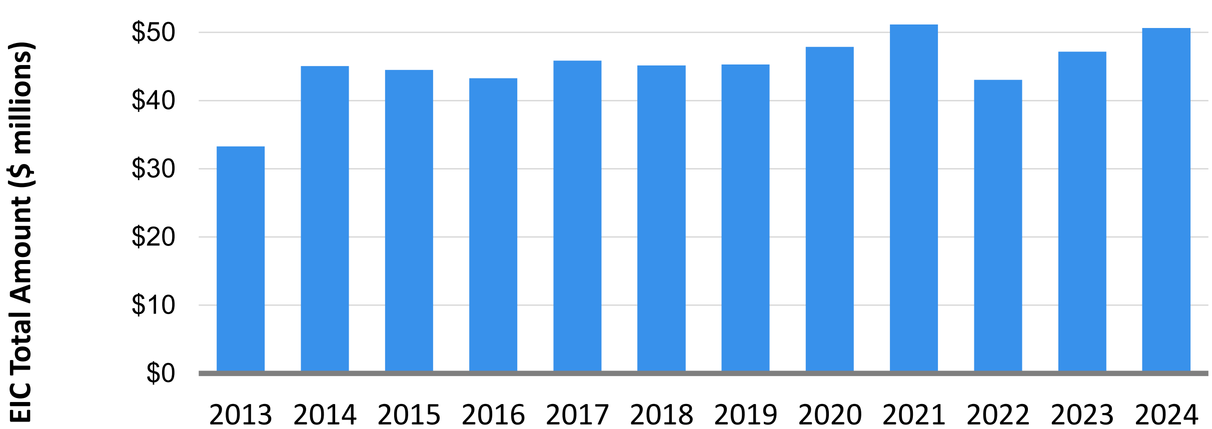


Exhibit 38 cont. Oregon Earned Income Credit*
Full-Year Resident Returns–Tax Years 2013 to 2024

Tax Year	Number of Returns Claiming Oregon EIC	Annual Growth Rate	Average Oregon EIC ($)	Annual Growth Rate	Total Oregon EIC ($ millions)	Annual Growth Rate
2013	265,550	2.8%	$125	2.0%	$33.3	4.9%
2014	266,690	0.4%	$169	34.8%	$45.0	35.4%
2015	258,940	-2.9%	$172	1.7%	$44.5	-1.2%
2016	253,120	-2.3%	$171	-0.4%	$43.3	-2.7%
2017	246,730	-2.5%	$186	8.6%	$45.8	5.9%
2018	241,000	-2.3%	$187	0.9%	$45.2	-1.5%
2019	247,500	2.7%	$183	-2.4%	$45.3	0.2%
2020	234,830	-5.1%	$204	11.4%	$47.9	5.7%
2021	302,210	28.7%	$169	-16.9%	$51.2	7.0%
2022	206,840	-31.6%	$208	22.8%	$43.0	-15.9%
2023	212,930	2.9%	$222	6.5%	$47.2	9.6%
2024	216,340	1.6%	$234	5.7%	$50.6	7.4%

*Beginning in 2022, also includes those returns that claimed the Oregon EIC for ITIN filers

Payments and Refunds from Form OR-40–Types and Trends

Types of Payments and Refunds. Exhibit 39 shows payments from Oregon tax withheld and estimated payments for tax years 2023 and 2024 as reported on the tax return along with those who made no pre-payments. **Exhibit 40** on the following page shows details on whether a taxpayer is required to make a payment with their return, receives a refund, or has a zero balance. The total amount for returns with tax to pay includes only tax due and does not include penalty and interest. The total amount of refunds does not include any refunds applied as estimated payments for the following tax year, charitable checkoff donations, deposits to Oregon 529 plan accounts, or political party contributions. Also shown is the part of the refund that includes payments for refundable credits. In 2024, about 98,000 full-year resident filers received payments for refundable credits.

This exhibit also shows the state surplus refunds (also called the "kicker" – see Appendix A) distributed to taxpayers as a payment on the tax return for the 2021-23 biennium. These payments were distributed for this biennium through the tax year 2023 personal income tax process; however, the amount was based on taxpayers' 2022 tax liability. Taxpayers received the kicker payment on their tax return similar to a refundable credit. The effect of the kicker is seen in a large increase in refunds in 2023. There was no kicker payment available for tax year 2024. If a kicker happens for a particular biennium, the refund payments are only distributed on the odd tax year returns at the end of that biennium.

Exhibit 39 Pre-Payments and Refund Payments
Full-Year Resident Returns–Tax Years 2023 and 2024

Pre-Payment/ Refund Payment Type	2023 Number of Returns	2024 Number of Returns	2023 Average per Return	2024 Average per Return	2023 Total ($ millions)	2024 Total ($ millions)	% Change 2023 to 2024
Oregon Income Tax Withheld	1,681,910	1,682,450	$5,400	$5,740	$9,080.7	$9,660.2	6.4%
Estimated Tax Payments* for the Current Year	151,860	164,750	$9,410	$11,450	$1,428.5	$1,886.9	32.1%
No Pre-payments	191,200	190,560	$0	$0	$0.0	$0.0	0.0%
PTE-E Credit Refund Payments	21,675	23,390	$33,580	$32,100	$727.9	$750.9	3.2%
Kicker Refund Payments	1,678,370	0	$2,910	$0	$4,881	$0.0	NA

*Includes refund applied from previous year's tax returns

Exhibit 40 Tax to Pay, Zero Balance and Refund Returns
Full-Year Resident Returns–Tax Years 2023 and 2024

Tax to Pay/Refunds	2023 Number of Returns	2024 Number of Returns	2023 Average per Return	2024 Average per Return	2023 Total ($ millions)	2024 Total ($ millions)	% Change 2023 to 2024
Tax to Pay with Return*	146,480	512,850	$3,060	$2,420	$448.4	$1,242.2	177.0%
Zero Balance	53,140	84,490	$0	$0	$0.0	$0.0	0.0%
Refund**	1,729,080	1,330,010	$3,300	$1,300	$5,702.4	$1,731.5	-69.6%
Part or All of Refund Includes Payment for Refundable Credit***	98,110	98,480	$620	$620	$60.9	$61.0	0.2%

*Tax to pay amounts do not include any penalty and interest.
**The refund amount is before any amounts are applied to next year's estimated tax and charitable check-off donations.
***This is a subset of the Refund row.

Refunds–Historical Trends. Exhibit 41 shows the percentage of full-year resident filers who received a refund and the average amount of their refund for tax years 2013 to 2024. The refund amounts include payments received due to a refundable credit. The large increases in refunds in 2015, 2017, 2019, 2021, and 2023 were mostly due to kicker refunds.

Exhibit 41 Refunds
Full-Year Resident Returns–Tax Years 2013 to 2024

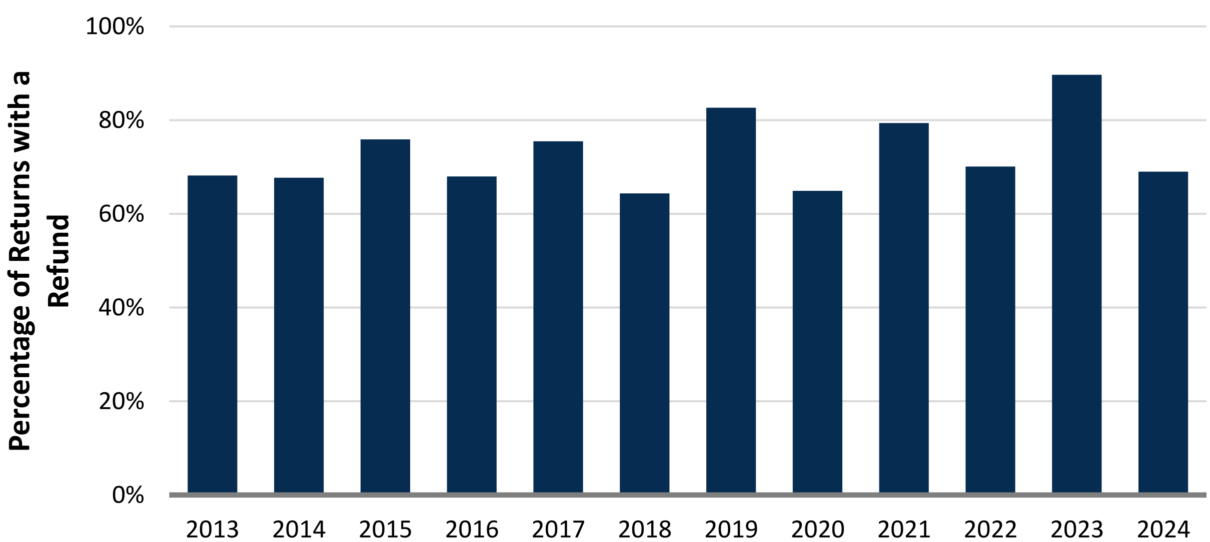
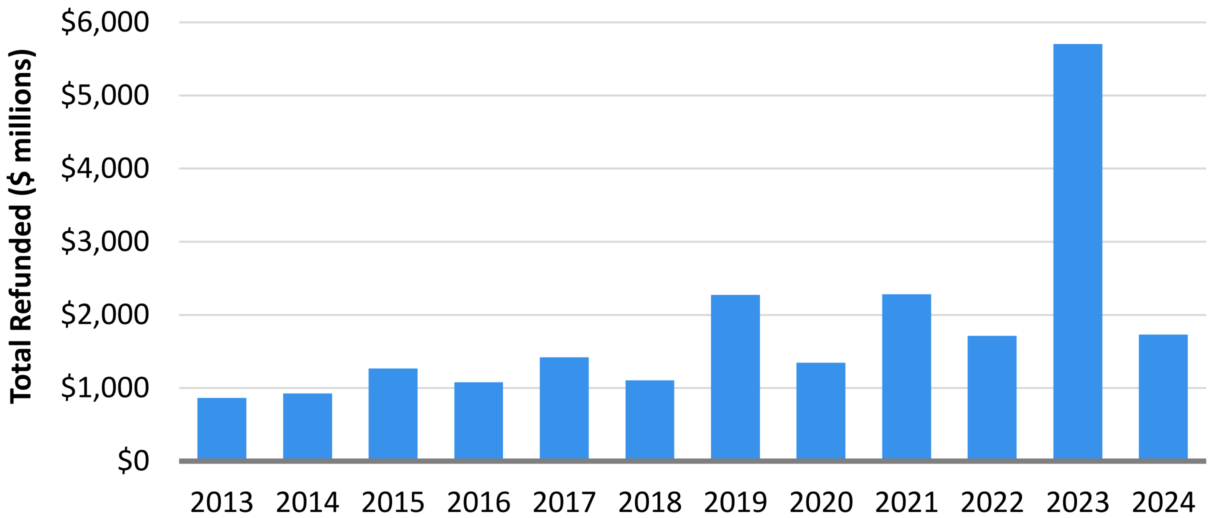


Exhibit 41 cont. Refunds
Full-Year Resident Returns–Tax Years 2013 to 2024



Tax Year	Number of Full-Year Returns	Number of Returns with Refund	Percentage of Returns with Refund	Average Refund ($)	Total Refunds ($ millions)	Annual Growth Rate of Total
2013	1,636,510	1,116,100	68.2%	$770	$864.4	-3.5%
2014	1,679,610	1,137,540	67.7%	$810	$924.5	7.0%
2015	1,711,180	1,298,840	75.9%	$980	$1,267.1	37.1%
2016	1,751,140	1,189,860	67.9%	$910	$1,078.6	-14.9%
2017	1,785,350	1,347,650	75.5%	$1,050	$1,420.2	31.7%
2018	1,819,170	1,171,210	64.4%	$950	$1,107.3	-22.0%
2019	1,889,720	1,561,810	82.6%	$1,460	$2,275.3	105.5%
2020	1,919,410	1,245,340	64.9%	$1,080	$1,347.1	-40.8%
2021	1,898,660	1,507,320	79.4%	$1,510	$2,283.2	69.5%
2022	1,880,060	1,318,260	70.1%	$1,300	$1,714.0	-24.9%
2023	1,928,700	1,729,080	89.7%	$3,300	$5,702.4	232.7%
2024	1,927,360	1,330,010	69.0%	$1,300	$1,731.5	-69.6%

Section 4.5: Part-Year and Nonresidents

Part-Year Resident Returns–Data and Trends

Exhibits 42 through 47 on the next few pages show information on taxpayers who were residents in Oregon for only part of calendar year 2024 for two groups: those moving to Oregon and those moving out of Oregon.

Taxpayers Moving Into and Out of Oregon–Historical Trends. Exhibit 42 below and on the next page shows the total number of taxpayers (joint returns count as two taxpayers) moving into or out of Oregon in tax years 2013 to 2024, based on the address reported on the return. The number of part-year resident taxpayers moving to Oregon ranged between roughly 50,000 and 75,000 during this period. In 2021, 2022, and 2023 the number of taxpayers moving out of Oregon exceeded those moving in. The trend has reversed in 2024 with slightly more taxpayers moving into Oregon than out.

Exhibit 42 Taxpayers* Moving Into and Out of Oregon
Part-Year Resident Returns–Tax Years 2013 to 2024

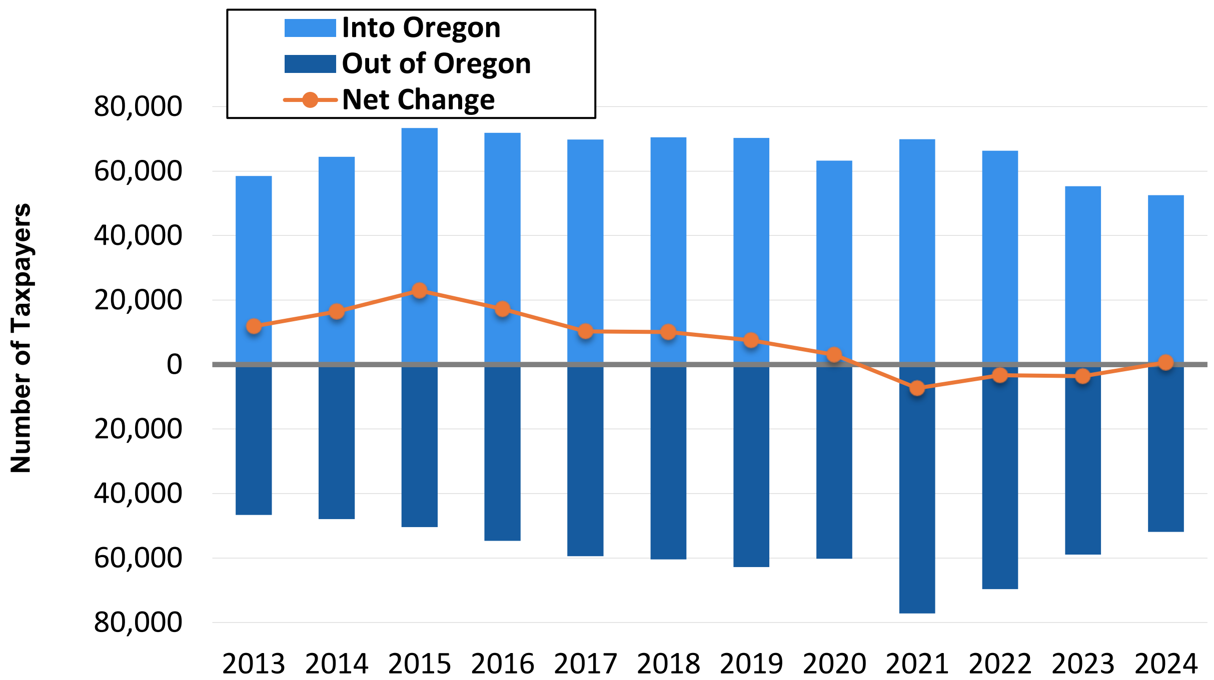


Exhibit 42 cont. Taxpayers* Moving Into and Out of Oregon
Part-Year Resident Returns–Tax Years 2013 to 2024

Tax Year	Taxpayers Into Oregon	Annual Growth Rate	Taxpayers Out of Oregon	Annual Growth Rate	Net Change in Taxpayers
2013	58,460	14.8%	46,630	4.1%	11,830
2014	64,410	10.2%	47,940	2.8%	16,480
2015	73,380	13.9%	50,450	5.2%	22,940
2016	71,880	-2.1%	54,640	8.3%	17,240
2017	69,820	-2.9%	59,490	8.9%	10,330
2018	70,490	1.0%	60,400	1.5%	10,090
2019	70,290	-0.3%	62,810	4.0%	7,480
2020	63,220	-10.1%	60,220	-4.1%	3,000
2021	69,870	10.5%	77,200	28.2%	-7,330
2022	66,330	-5.1%	69,620	-9.8%	-3,290
2023	55,330	-16.6%	58,940	-15.3%	-3,610
2024	52,560	-5.0%	51,900	-11.9%	670

*Joint returns count as two taxpayers

Taxpayers Moving Into Oregon by County of Destination. Exhibit 43 on the following page, shows the number and share of in-migrants (taxpayers–joint returns count as two) by county of destination for selected tax years. In 2024, as in previous years, in-migrants moved to counties roughly in proportion to current county populations. The three counties of the Portland metropolitan area, Multnomah, Washington, and Clackamas, contain 43 percent of the state's population and attracted 49 percent of in-migrant income tax filers. Lane and Deschutes counties were the next most popular destinations.

Exhibit 43 Taxpayers Moving Into Oregon by County of Destination
Part-Year Resident Returns with an Oregon Address Tax–Years 2014, 2023, and 2024

County	2014 Number of Returns	Share of Total	2023 Number of Returns	Share of Total	2024 Number of Returns	Share of Total	County Share of 2024 Population
Baker	190	0.3%	210	0.4%	170	0.3%	0.4%
Benton	1,510	2.3%	1,510	2.7%	1,450	2.8%	2.3%
Clackamas	5,600	8.7%	4,290	7.8%	4,110	7.8%	10.1%
Clatsop	670	1.0%	730	1.3%	640	1.2%	1.0%
Columbia	500	0.8%	380	0.7%	430	0.8%	1.3%
Coos	830	1.3%	780	1.4%	730	1.4%	1.5%
Crook	260	0.4%	300	0.5%	280	0.5%	0.6%
Curry	510	0.8%	420	0.8%	380	0.7%	0.6%
Deschutes	3,870	6.0%	4,440	8.0%	4,050	7.7%	4.9%
Douglas	1,280	2.0%	1,080	2.0%	990	1.9%	2.6%
Gilliam	<30	<0.1%	<30	<0.1%	<30	<0.1%	<0.1%
Grant	80	0.1%	60	0.1%	50	0.1%	0.2%
Harney	100	0.2%	80	0.1%	80	0.2%	0.2%
Hood River	360	0.6%	310	0.6%	360	0.7%	0.6%
Jackson	3,280	5.1%	2,740	5.0%	2,680	5.1%	5.2%
Jefferson	220	0.3%	190	0.3%	180	0.3%	0.6%
Josephine	1,250	1.9%	1,000	1.8%	920	1.8%	2.1%
Klamath	870	1.4%	780	1.4%	800	1.5%	1.6%
Lake	100	0.2%	100	0.2%	90	0.2%	0.2%
Lane	4,860	7.5%	4,740	8.6%	4,270	8.1%	9.0%
Lincoln	870	1.4%	760	1.4%	750	1.4%	1.2%
Linn	1,170	1.8%	1,130	2.0%	1,040	2.0%	3.0%
Malheur	330	0.5%	360	0.7%	360	0.7%	0.7%
Marion	3,090	4.8%	2,820	5.1%	2,640	5.0%	8.2%
Morrow	130	0.2%	110	0.2%	110	0.2%	0.3%
Multnomah	16,870	26.2%	13,950	25.2%	13,330	25.4%	18.7%
Polk	920	1.4%	840	1.5%	750	1.4%	2.1%
Sherman	<30	<0.1%	<30	<0.1%	<30	<0.1%	<0.1%
Tillamook	350	0.5%	290	0.5%	310	0.6%	0.6%
Umatilla	790	1.2%	780	1.4%	780	1.5%	1.9%

Exhibit 43 cont. Taxpayers Moving Into Oregon by County of Destination, Part-Year Resident Returns with an Oregon Address Tax–Years 2014, 2023, and 2024

County	2014 Number of Returns	Share of Total	2023 Number of Returns	Share of Total	2024 Number of Returns	Share of Total	County Share of 2024 Population
Union	330	0.5%	290	0.5%	300	0.6%	0.6%
Wallowa	120	0.2%	90	0.2%	60	0.1%	0.2%
Wasco	320	0.5%	280	0.5%	250	0.5%	0.6%
Washington	11,710	18.2%	8,520	15.4%	8,320	15.8%	14.3%
Wheeler	<30	<0.1%	<30	<0.1%	<30	<0.1%	<0.1%
Yamhill	1,010	1.6%	960	1.7%	870	1.7%	2.6%
Total	**64,380**	**100%**	**55,330**	**100%**	**52,560**	**100%**	**100%**

Taxpayers Moving Out of Oregon by Destination. Exhibit 44 on the following page shows the number of income taxpayers moving out of Oregon for selected tax years by state of destination. In 2024, taxpayers moved out of Oregon to all 49 other states, Washington, D.C., some U.S. territories, and several other countries. The most frequent destinations were the border states of Washington and California, which attracted almost 38 percent of all out-migrant income taxpayers.

Exhibit 44 Taxpayers Moving Out of Oregon by Destination–Part-Year Resident Returns with Out-of-State Address–Tax Years 2014, 2023, and 2024

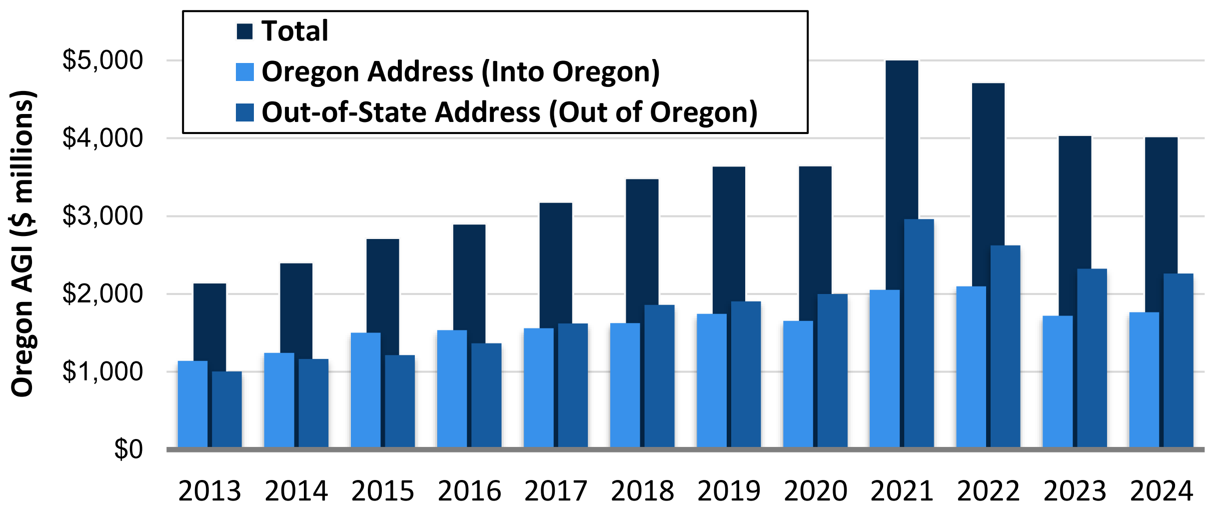
State	2014 Number of Returns	2014 Share of Total	2023 Number of Returns	2023 Share of Total	2024 Number of Returns	2024 Share of Total
Alabama	140	0.3%	310	0.5%	240	0.5%
Alaska	620	1.3%	510	0.9%	420	0.8%
Arizona	2,650	5.5%	3,730	6.3%	3,250	6.3%
Arkansas	180	0.4%	360	0.6%	300	0.6%
California	8,680	18.1%	8,870	15.0%	8,100	15.6%
Colorado	1,750	3.7%	1,940	3.3%	1,690	3.3%
Connecticut	150	0.3%	200	0.3%	160	0.3%
Delaware	40	0.1%	40	0.1%	50	0.1%
Florida	1,320	2.8%	1,900	3.2%	1,640	3.2%
Georgia	510	1.1%	750	1.3%	620	1.2%
Hawaii	600	1.3%	700	1.2%	670	1.3%
Idaho	2,240	4.7%	2,920	5.0%	2,570	5.0%
Illinois	760	1.6%	960	1.6%	880	1.7%
Indiana	300	0.6%	530	0.9%	450	0.9%
Iowa	220	0.5%	330	0.6%	320	0.6%
Kansas	280	0.6%	320	0.5%	270	0.5%
Kentucky	210	0.4%	340	0.6%	250	0.5%
Louisiana	190	0.4%	200	0.3%	200	0.4%
Maine	100	0.2%	220	0.4%	130	0.3%
Maryland	300	0.6%	370	0.6%	300	0.6%
Massachusetts	480	1.0%	530	0.9%	510	1.0%
Michigan	560	1.2%	760	1.3%	670	1.3%
Minnesota	610	1.3%	820	1.4%	710	1.4%
Mississippi	90	0.2%	110	0.2%	120	0.2%
Missouri	420	0.9%	690	1.2%	590	1.1%
Montana	870	1.8%	1,030	1.7%	820	1.6%
Nebraska	190	0.4%	190	0.3%	190	0.4%
Nevada	1,280	2.7%	1,520	2.6%	1,200	2.3%
New Hampshire	90	0.2%	150	0.3%	140	0.3%
New Jersey	230	0.5%	300	0.5%	300	0.6%

Exhibit 44 cont. Taxpayers Moving Out of Oregon by Destination–Part-Year Resident Returns with Out-of-State Address–Tax Years 2014, 2023, and 2024

State	2014 Number of Returns	Share of Total	2023 Number of Returns	Share of Total	2024 Number of Returns	Share of Total
New Mexico	360	0.8%	570	1.0%	430	0.8%
New York	890	1.9%	1,120	1.9%	1,040	2.0%
North Carolina	590	1.2%	1,080	1.8%	880	1.7%
North Dakota	310	0.6%	160	0.3%	140	0.3%
Ohio	530	1.1%	740	1.3%	690	1.3%
Oklahoma	270	0.6%	540	0.9%	400	0.8%
Pennsylvania	490	1.0%	710	1.2%	630	1.2%
Rhode Island	50	0.1%	100	0.2%	50	0.1%
South Carolina	250	0.5%	500	0.8%	430	0.8%
South Dakota	120	0.3%	220	0.4%	230	0.4%
Tennessee	440	0.9%	970	1.6%	780	1.5%
Texas	2,250	4.7%	3,790	6.4%	3,070	5.9%
Utah	1,150	2.4%	1,320	2.2%	1,130	2.2%
Vermont	90	0.2%	170	0.3%	120	0.2%
Virginia	480	1.0%	740	1.3%	650	1.3%
Washington	12,190	25.4%	12,820	21.8%	11,770	22.7%
West Virginia	50	0.1%	110	0.2%	70	0.1%
Wisconsin	420	0.9%	570	1.0%	520	1.0%
Wyoming	240	0.5%	280	0.5%	300	0.6%
Washington, D.C.	110	0.2%	130	0.2%	110	0.2%
Outside U.S.	610	1.3%	740	1.3%	730	1.4%
Total	**47,940**	**100%**	**58,940**	**100%**	**51,900**	**100%**

Part-Year Resident Returns, Oregon AGI, and Tax Liability–Historical Trends. Exhibit 45 shows the total Oregon adjusted gross income and tax liability as reported by part-year residents for tax years 2013 to 2024. Oregon AGI is that portion of federal AGI from all sources of income while an Oregon resident and any Oregon-sourced income while a nonresident. Also shown is information about the Oregon AGI for those returns with an Oregon address (moving into Oregon) and those returns with an out-of-state address (moving out of Oregon).

Exhibit 45 Total Oregon AGI and Personal Income Tax Liability
Part-Year Resident Returns–Tax Years 2013 to 2024



All Part-Year Resident Returns

Tax Year	Number of Returns	Annual Growth Rate	Average OR AGI ($)	Total OR AGI ($ millions)	Annual Growth Rate of Total	Ave Tax Liability ($)	Total Tax Liability ($ millions)
2013	79,352	9.9%	$27,070	$2,148.2	10.0%	$1,690	$134.0
2014	85,499	7.7%	$28,150	$2,407.0	12.0%	$1,820	$155.5
2015	94,610	10.7%	$28,720	$2,717.5	12.9%	$1,840	$174.4
2016	97,291	2.8%	$29,830	$2,902.6	6.8%	$1,940	$188.6
2017	99,682	2.5%	$31,930	$3,182.9	9.7%	$2,100	$208.9
2018	101,387	1.7%	$34,380	$3,485.7	9.5%	$2,420	$245.1
2019	104,318	2.9%	$34,990	$3,649.8	4.7%	$2,420	$253.0
2020	96,873	-7.1%	$37,680	$3,650.4	0.0%	$2,670	$258.4
2021	114,510	18.2%	$43,770	$5,012.7	37.3%	$3,170	$362.5
2022	106,422	-7.1%	$44,360	$4,721.3	-5.8%	$3,150	$334.8
2023	90,942	-14.5%	$44,460	$4,043.3	-14.4%	$3,130	$284.7
2024	82,586	-9.2%	$48,770	$4,027.4	-0.4%	$3,460	$285.9

Exhibit 45 cont. Total Oregon AGI and Personal Income Tax Liability Part-Year Resident Returns–Tax Years 2013 to 2024

Part-Year Resident Returns with an Oregon Address (Moving into Oregon)

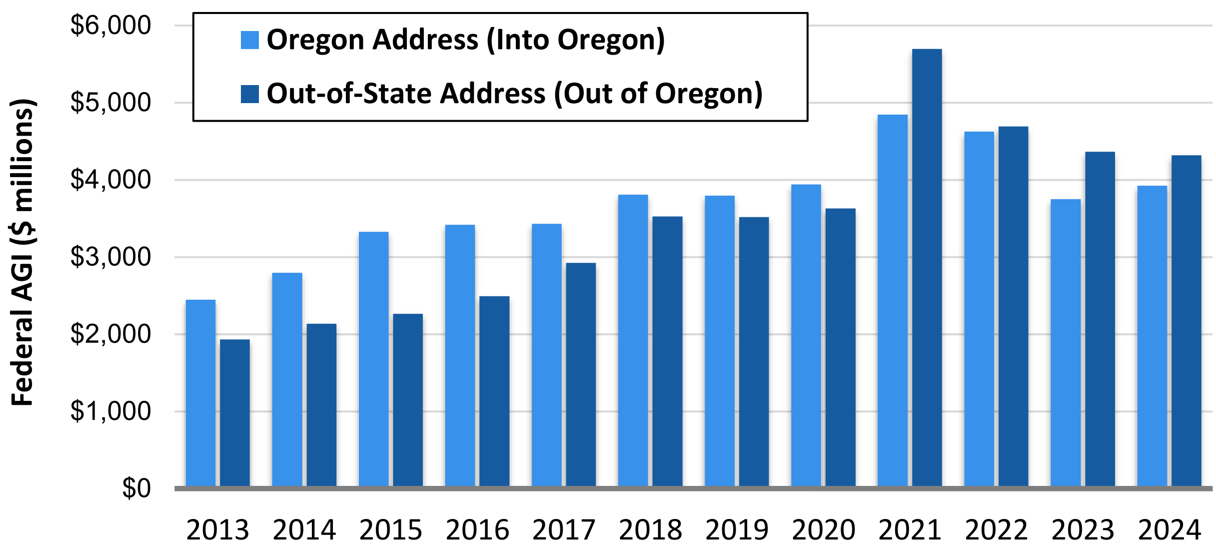
Tax Year	Number of Returns	Annual Growth Rate of Number	Average OR AGI ($)	Total OR AGI ($ millions)	Annual Growth Rate of Total OR AGI
2013	44,000	12.6%	$25,950	$1,141.9	17.4%
2014	48,890	10.0%	$25,440	$1,243.6	8.2%
2015	55,960	12.6%	$26,860	$1,503.5	17.3%
2016	55,160	-1.5%	$27,840	$1,535.7	2.1%
2017	53,930	-2.3%	$28,920	$1,559.9	1.6%
2018	54,750	1.5%	$29,720	$1,626.9	4.1%
2019	55,190	0.8%	$31,630	$1,745.4	6.8%
2020	49,640	-11.2%	$33,280	$1,652.3	-5.6%
2021	55,330	10.3%	$37,090	$2,052.2	19.5%
2022	52,440	-5.5%	$39,980	$2,096.7	2.1%
2023	44,410	-18.1%	$38,730	$1,720.0	-21.9%
2024	41,650	-6.6%	$42,420	$1,766.6	2.6%

Part-Year Resident Returns with an Out-of-State Address (Moving out of Oregon)

Tax Year	Number of Returns	Annual Growth Rate of Number	Average OR AGI ($)	Total OR AGI ($ millions)	Annual Growth Rate of Total OR AGI
2013	35,350	4.5%	$28,470	$1,006.3	-0.3%
2014	36,610	3.5%	$31,780	$1,163.4	13.5%
2015	38,650	5.3%	$31,410	$1,214.1	4.2%
2016	42,130	8.3%	$32,440	$1,366.9	11.2%
2017	45,750	7.9%	$35,480	$1,623.0	15.8%
2018	46,640	1.9%	$39,850	$1,858.8	12.7%
2019	49,130	5.1%	$38,760	$1,904.4	2.4%
2020	47,230	-4.0%	$42,310	$1,998.2	4.7%
2021	59,180	20.2%	$50,030	$2,960.4	32.5%
2022	53,980	-9.6%	$48,620	$2,624.7	-12.8%
2023	46,530	-16.0%	$49,930	$2,323.3	-13.0%
2024	40,940	-13.7%	$55,230	$2,260.8	-2.8%

Federal AGI–Historical Trends. Exhibit 46 shows the total federal adjusted gross income as reported by part-year residents on their Form 1040 for tax years 2013 to 2024 for those returns with an Oregon address (moving into Oregon) and those returns with an out-of-state address (moving out of Oregon).

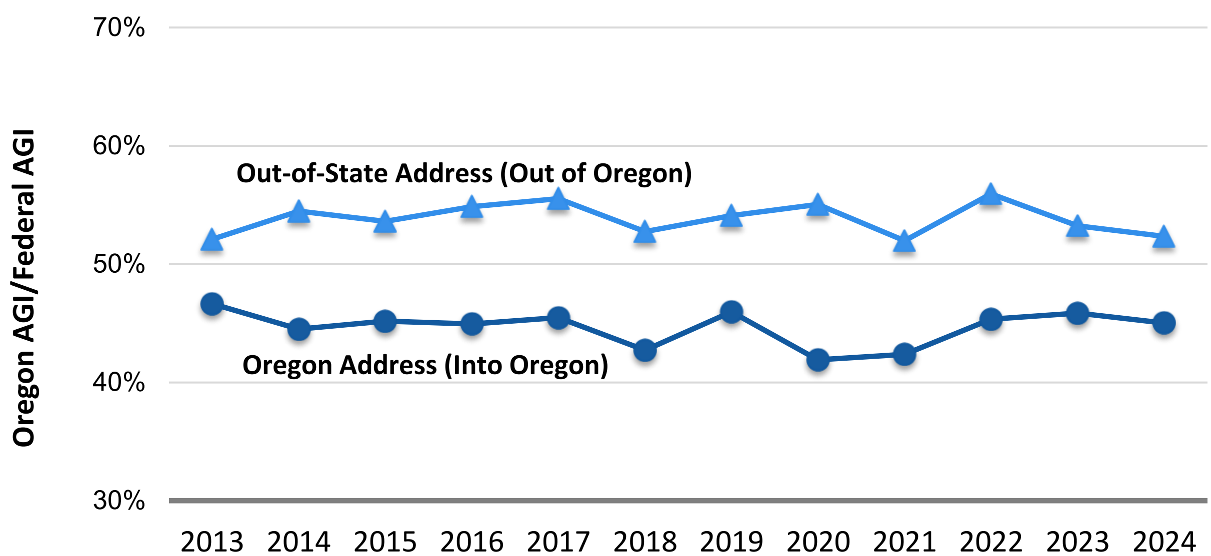
Exhibit 46 Federal AGI–Part-Year Resident Returns with Oregon Address and Out-of-State Address–Tax Years 2013 to 2024



Tax Year	Oregon Address Average Federal AGI ($)	Oregon Address Total Federal AGI ($ millions)	Annual Growth Rate of Total Federal AGI	Out-of-State Address Average Federal AGI ($)	Out-of-State Address Total Federal AGI ($ millions)	Annual Growth Rate of Total Federal AGI
2013	$55,630	$2,448.0	16.6%	$54,630	$1,931.2	1.5%
2014	$57,150	$2,794.0	12.4%	$58,340	$2,136.0	9.6%
2015	$59,470	$3,328.4	16.1%	$58,590	$2,264.2	5.7%
2016	$61,940	$3,416.6	2.6%	$59,140	$2,491.7	9.1%
2017	$63,610	$3,430.6	0.4%	$63,880	$2,922.4	14.7%
2018	$69,550	$3,807.8	9.9%	$75,570	$3,524.4	17.1%
2019	$68,810	$3,797.2	-0.3%	$71,640	$3,519.6	-0.1%
2020	$79,420	$3,942.8	3.7%	$76,880	$3,630.8	3.1%
2021	$87,570	$4,845.3	18.6%	$96,250	$5,696.1	36.3%
2022	$88,200	$4,625.6	-4.7%	$86,930	$4,692.3	-21.4%
2023	$84,450	$3,750.5	-23.3%	$93,780	$4,363.7	-7.5%
2024	$94,230	$3,924.9	4.4%	$105,540	$4,320.2	-1.0%

Ratio of Oregon AGI to Federal AGI–Historical Trends. Exhibit 47 shows the ratio of Oregon AGI to Federal AGI for tax years 2013 to 2024 for those returns with an Oregon address (moving into Oregon) and those returns with an out-of-state address (moving out of Oregon). For example, this ratio would typically be about 50 percent for a taxpayer who moved into or out of Oregon around the middle of the year. On average, this ratio is a bit smaller for taxpayers moving into Oregon compared to those moving out.

Exhibit 47 Ratio of Oregon AGI to Federal AGI by Oregon and Out-of-State Address Part-Year Resident Return–Tax Years 2013 to 2024



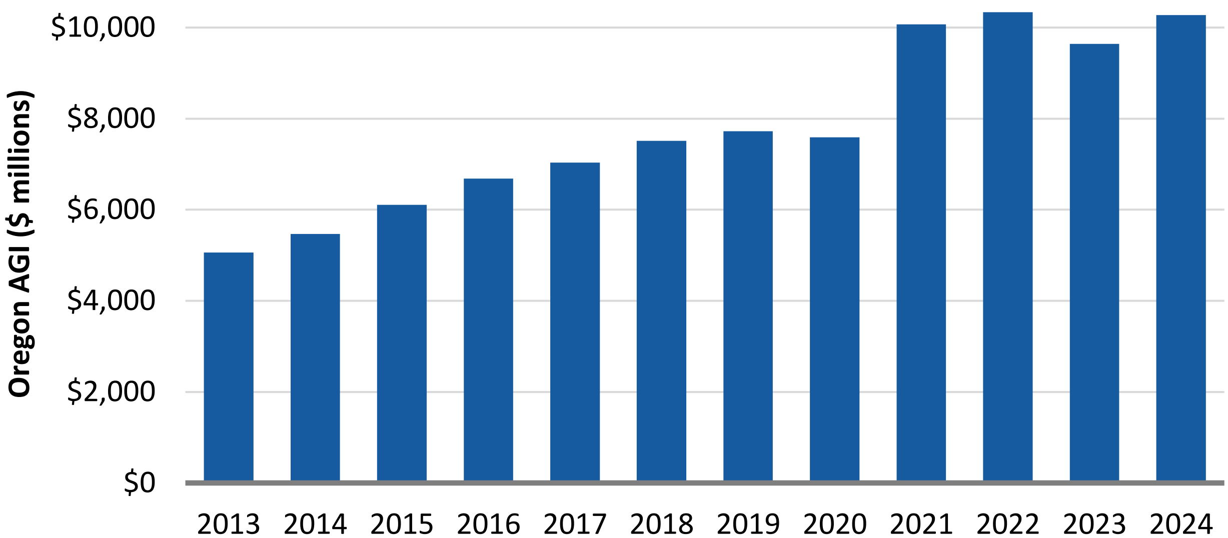
Tax Year	Oregon Address Oregon AGI/Federal AGI (percent)	Annual Change	Out-of-State Address Oregon AGI/Federal AGI (percent)	Annual Change
2013	46.6%	0.4%	52.1%	-0.9%
2014	44.5%	-2.1%	54.5%	2.4%
2015	45.2%	0.7%	53.6%	-0.8%
2016	44.9%	-0.2%	54.9%	1.2%
2017	45.5%	0.5%	55.5%	0.7%
2018	42.7%	-2.7%	52.7%	-2.8%
2019	46.0%	3.2%	54.1%	1.4%
2020	41.9%	-4.1%	55.0%	0.9%
2021	42.4%	0.4%	52.0%	-3.1%
2022	45.3%	3.0%	55.9%	4.0%
2023	45.9%	0.5%	53.2%	-2.7%
2024	45.0%	-0.9%	52.3%	-0.9%

Nonresident Returns–Data and Trends

People who are not residents of Oregon but have income that is sourced in Oregon may be required to pay Oregon personal income tax. **Exhibits 48 and 49** on the next few pages show information on nonresidents with income from Oregon sources.

Nonresidents Returns, Oregon AGI, and Tax Liability–Historical Trends. Exhibit 48 on the following page shows the number of returns, total Oregon AGI, and total tax liability of nonresidents for tax years 2013 through 2024.

Exhibit 48 Oregon AGI and Personal Income Tax Liability Nonresident Returns–Tax Years 2013 to 2024



Tax Year	Number of Returns	Annual Growth Rate	Average OR AGI ($)	Total OR AGI ($ millions)	Annual Growth Rate of OR AGI	Average Tax Liability ($)	Total Tax Liability ($ millions)
2013	170,579	5.3%	$29,660	$5,058.6	1.8%	$1,880	$319.9
2014	177,569	3.9%	$30,790	$5,467.4	7.5%	$2,020	$357.8
2015	187,783	5.4%	$32,520	$6,106.7	10.5%	$2,060	$386.7
2016	192,309	2.4%	$34,740	$6,681.1	8.6%	$2,200	$423.0
2017	200,121	3.9%	$35,160	$7,036.8	5.1%	$2,300	$459.6
2018	208,191	3.9%	$36,080	$7,511.8	6.3%	$2,370	$492.6
2019	218,652	4.8%	$35,320	$7,722.4	2.7%	$2,390	$521.8
2020	207,739	-5.3%	$36,520	$7,587.2	-1.8%	$2,510	$520.7
2021	222,963	6.8%	$45,180	$10,072.9	24.7%	$3,070	$685.3
2022	227,584	2.0%	$45,410	$10,335.7	2.5%	$3,140	$715.1
2023	233,073	2.4%	$41,360	$9,640.8	-7.2%	$2,870	$668.0
2024	229,552	-1.5%	$44,750	$10,271.4	6.1%	$3,110	$712.8

Nonresident Returns by State of Mailing Address. Exhibit 49 on the following page shows the number of returns, total Oregon AGI, and total tax liability of nonresidents by state of residence, based on the address reported on the return. There are several things to note. Many of the nonresident returns with an Oregon address are military personnel who are temporarily stationed in Oregon. Residents of the state of Washington account for about 45 percent of nonresident returns. Many of these Washington residents commute to the Portland area for employment. California residents account for about 14 percent of nonresident returns, but only 4 percent of total nonresident tax liability.

For many California residents, California also taxes their Oregon-source income. For residents of California as well as residents of Arizona, Indiana, and Virginia, Oregon grants a tax credit for income tax paid to the nonresident’s home state on mutually taxed income, which in general, reduces their Oregon personal income tax liability.

Exhibit 49 Oregon AGI and Personal Income Tax Liability by State and Selected Areas Nonresident Returns–Tax Year 2024

State	Number of Returns	Share of Returns	Total OR AGI ($millions)	Share of Total OR AGI	Total Tax Liability ($ millions)	Share of Total Tax Liability	Effective Tax Rate
Alabama	520	0.2%	$12.3	0.1%	$0.8	0.1%	6.7%
Alaska	1,200	0.5%	$34.1	0.3%	$3.0	0.4%	8.9%
Arizona	6,350	2.8%	$324.4	3.2%	$21.5	3.0%	6.6%
Arkansas	470	0.2%	$10.5	0.1%	$0.7	0.1%	6.2%
California	33,550	14.6%	$992.6	9.7%	$30.0	4.2%	3.0%
Colorado	3,790	1.7%	$120.1	1.2%	$9.5	1.3%	7.9%
Connecticut	690	0.3%	$38.5	0.4%	$3.3	0.5%	8.6%
Delaware	100	0.0%	$2.5	0.0%	$0.3	0.0%	10.3%
Florida	5,120	2.2%	$372.0	3.6%	$34.4	4.8%	9.2%
Georgia	1,650	0.7%	$61.3	0.6%	$5.0	0.7%	8.1%
Hawaii	1,940	0.8%	$62.8	0.6%	$5.9	0.8%	9.4%
Idaho	12,390	5.4%	$597.0	5.8%	$44.2	6.2%	7.4%
Illinois	2,080	0.9%	$90.5	0.9%	$5.8	0.8%	6.4%
Indiana	790	0.3%	$40.9	0.4%	$2.6	0.4%	6.3%
Iowa	460	0.2%	$9.2	0.1%	$0.7	0.1%	7.6%
Kansas	620	0.3%	$14.3	0.1%	$1.0	0.1%	7.2%
Kentucky	460	0.2%	$11.3	0.1%	$0.7	0.1%	6.4%
Louisiana	620	0.3%	$28.9	0.3%	$2.4	0.3%	8.3%
Maine	310	0.1%	$6.7	0.1%	$0.5	0.1%	6.7%
Maryland	870	0.4%	$27.5	0.3%	$2.2	0.3%	8.0%
Massachusetts	1,390	0.6%	$42.0	0.4%	$3.6	0.5%	8.5%
Michigan	1,290	0.6%	$55.0	0.5%	$4.4	0.6%	8.0%
Minnesota	1,250	0.5%	$35.5	0.3%	$2.7	0.4%	7.5%
Mississippi	310	0.1%	$9.6	0.1%	$0.7	0.1%	7.6%
Missouri	1,030	0.4%	$39.3	0.4%	$3.3	0.5%	8.4%
Montana	1,830	0.8%	$69.6	0.7%	$5.1	0.7%	7.3%
Nebraska	380	0.2%	$14.2	0.1%	$1.1	0.1%	7.4%
Nevada	3,010	1.3%	$275.8	2.7%	$21.7	3.0%	7.9%
New Hampshire	310	0.1%	$14.6	0.1%	$1.3	0.2%	8.8%
New Jersey	1,310	0.6%	$34.0	0.3%	$2.8	0.4%	8.1%

Exhibit 49 cont. Oregon AGI and Personal Income Tax Liability by State and Selected Areas Nonresident Returns–Tax Year 2024

State	Number of Returns	Share of Returns	Total OR AGI ($ millions)	Share of Total OR AGI	Total Tax Liability ($ millions)	Share of Total Tax Liability	Effective Tax Rate
New Mexico	860	0.4%	$20.5	0.2%	$1.5	0.2%	7.1%
New York	3,750	1.6%	$102.9	1.0%	$10.8	1.5%	10.5%
North Carolina	1,870	0.8%	$41.3	0.4%	$2.8	0.4%	6.8%
North Dakota	250	0.1%	$31.0	0.3%	$3.0	0.4%	9.8%
Ohio	1,070	0.5%	$37.1	0.4%	$3.0	0.4%	8.2%
Oklahoma	660	0.3%	$12.9	0.1%	$0.9	0.1%	6.7%
Oregon	11,180	4.9%	$519.0	5.1%	$36.4	5.1%	7.0%
Pennsylvania	1,380	0.6%	$110.2	1.1%	$11.1	1.6%	10.1%
Rhode Island	150	0.1%	$5.4	0.1%	$0.5	0.1%	8.4%
South Carolina	780	0.3%	$19.2	0.2%	$1.6	0.2%	8.3%
South Dakota	450	0.2%	$14.0	0.1%	$0.9	0.1%	6.4%
Tennessee	1,540	0.7%	$55.4	0.5%	$4.3	0.6%	7.8%
Texas	6,850	3.0%	$217.0	2.1%	$18.5	2.6%	8.5%
Utah	3,050	1.3%	$97.5	0.9%	$8.0	1.1%	8.2%
Vermont	190	0.1%	$2.8	0.0%	$0.2	0.0%	6.0%
Virginia	1,830	0.8%	$36.5	0.4%	$1.6	0.2%	4.5%
Washington	102,200	44.5%	$5,342.6	52.0%	$372.6	52.3%	7.0%
West Virginia	110	0.0%	$2.0	0.0%	$0.1	0.0%	6.0%
Wisconsin	930	0.4%	$10.0	0.1%	$1.5	0.2%	15.4%
Wyoming	530	0.2%	$57.0	0.6%	$5.6	0.8%	9.8%
Washington, D.C.	280	0.1%	$9.9	0.1%	$0.9	0.1%	8.9%
Outside U.S.	3,610	1.6%	$123.0	1.2%	$6.2	0.9%	7.8%
Total	**229,550**	**100%**	**$10,271.4**	**100%**	**$712.8**	**100%**	**6.9%**

Section 4.6: County Level Data

Returns, Oregon AGI, and Tax Liability

This section provides tax information by county to demonstrate how taxpayer characteristics vary by region. **Exhibits 50, 51, and 52** on the following pages show a breakdown of the number of all returns filed, total Oregon AGI, total tax liability, and the percent change from 2023 to 2024 of those quantities by county and other selected areas outside of Oregon.

Exhibit 50 Distribution of Returns by County and Selected Areas
All Form Types–Tax Years 2023 and 2024

County or Area	2023 Number of Returns	2024 Number of Returns	2024 Share of Returns	% Change in Number 2023 to 2024
Baker	6,970	6,960	0.3%	-0.1%
Benton	41,850	41,900	1.9%	0.1%
Clackamas	201,110	200,580	9.0%	-0.3%
Clatsop	18,690	18,750	0.8%	0.3%
Columbia	24,030	23,860	1.1%	-0.7%
Coos	27,450	27,390	1.2%	-0.2%
Crook	12,050	12,100	0.5%	0.5%
Curry	10,280	10,130	0.5%	-1.4%
Deschutes	103,540	104,110	4.6%	0.6%
Douglas	47,300	47,240	2.1%	-0.1%
Gilliam	850	860	<0.1%	0.8%
Grant	2,970	2,950	0.1%	-0.6%
Harney	3,000	3,020	0.1%	0.5%
Hood River	11,990	11,940	0.5%	-0.4%
Jackson	101,390	101,480	4.5%	0.1%
Jefferson	10,470	10,630	0.5%	1.5%
Josephine	37,520	37,500	1.7%	0.0%
Klamath	28,670	28,720	1.3%	0.2%
Lake	3,100	3,120	0.1%	0.8%
Lane	172,980	172,620	7.7%	-0.2%
Lincoln	22,780	22,770	1.0%	-0.1%
Linn	58,890	58,590	2.6%	-0.5%
Malheur	11,050	11,040	0.5%	-0.1%
Marion	154,080	154,510	6.9%	0.3%

Exhibit 50 cont. Distribution of Returns by County and Selected Areas
All Form Types–Tax Years 2023 and 2024

County or Area	2023 Number of Returns	2024 Number of Returns	2024 Share of Returns	% Change in Number 2023 to 2024
Morrow	4,950	4,990	0.2%	0.8%
Multnomah	393,100	392,330	17.5%	-0.2%
Polk	38,770	38,670	1.7%	-0.3%
Sherman	850	860	<0.1%	0.8%
Tillamook	12,670	12,650	0.6%	-0.2%
Umatilla	32,290	32,480	1.5%	0.6%
Union	11,550	11,500	0.5%	-0.4%
Wallowa	3,600	3,590	0.2%	-0.1%
Wasco	11,640	11,550	0.5%	-0.8%
Washington	287,120	287,070	12.8%	0.0%
Wheeler	560	570	<0.1%	2.7%
Yamhill	48,320	47,990	2.1%	-0.7%
Clark Co., WA.	72,240	69,930	3.1%	-3.2%
Other Wash.	48,760	46,870	2.1%	-3.9%
California	45,440	44,760	2.0%	-1.5%
Idaho	15,810	15,190	0.7%	-4.0%
Other	112,060	105,730	4.7%	-5.6%
Total	**2,252,710**	**2,239,500**	**100.0%**	**-0.6%**

Exhibit 51 Distribution of Oregon AGI by County and Selected Areas
All Form Types–Tax Years 2023 and 2024

County or Area	2023 Total OR AGI ($ million)	2024 Total OR AGI ($ million)	2024 Share of Total OR AGI	% Change in Total AGI 2023 to 2024
Baker	$426.7	$482.3	0.2%	13.0%
Benton	$3,704.5	$4,041.3	2.0%	9.1%
Clackamas	$22,516.6	$24,266.9	12.1%	7.8%
Clatsop	$1,428.4	$1,550.5	0.8%	8.5%
Columbia	$1,934.6	$2,035.5	1.0%	5.2%
Coos	$1,764.9	$1,871.9	0.9%	6.1%
Crook	$929.1	$1,026.0	0.5%	10.4%
Curry	$642.4	$694.1	0.3%	8.1%
Deschutes	$10,833.2	$11,913.0	6.0%	10.0%
Douglas	$3,107.1	$3,488.1	1.7%	12.3%
Gilliam	$57.5	$63.6	<0.1%	10.6%
Grant	$185.3	$196.4	0.1%	6.0%
Harney	$167.0	$183.6	0.1%	9.9%
Hood River	$1,060.0	$1,241.6	0.6%	17.1%
Jackson	$7,670.6	$8,222.5	4.1%	7.2%
Jefferson	$658.4	$731.7	0.4%	11.1%
Josephine	$2,336.2	$2,551.5	1.3%	9.2%
Klamath	$1,765.5	$1,914.6	1.0%	8.5%
Lake	$181.8	$194.2	0.1%	6.8%
Lane	$13,530.8	$14,708.9	7.4%	8.7%
Lincoln	$1,601.4	$1,778.2	0.9%	11.0%
Linn	$4,062.2	$4,375.7	2.2%	7.7%
Malheur	$595.4	$636.1	0.3%	6.8%
Marion	$11,477.2	$12,261.2	6.1%	6.8%
Morrow	$346.7	$367.3	0.2%	5.9%
Multnomah	$36,307.5	$38,879.7	19.5%	7.1%
Polk	$3,030.6	$3,251.8	1.6%	7.3%
Sherman	$61.4	$65.6	<0.1%	6.8%
Tillamook	$937.3	$1,018.0	0.5%	8.6%
Umatilla	$2,174.8	$2,327.2	1.2%	7.0%

Exhibit 51 cont. Distribution of Oregon AGI by County and Selected Areas All Form Types–Tax Years 2023 and 2024

County or Area	2023 Total OR AGI ($ million)	2024 Total OR AGI ($ million)	2024 Share of Total OR AGI	% Change in Total AGI 2023 to 2024
Union	$790.7	$817.0	0.4%	3.3%
Wallowa	$246.8	$258.2	0.1%	4.6%
Wasco	$798.4	$856.7	0.4%	7.3%
Washington	$30,327.1	$32,757.0	16.4%	8.0%
Wheeler	$28.6	$30.0	<0.1%	5.0%
Yamhill	$4,139.8	$4,507.6	2.3%	8.9%
Clark Co., WA.	$3,832.9	$4,043.8	2.0%	5.5%
Other Wash.	$2,201.2	$2,256.0	1.1%	2.5%
California	$1,751.2	$1,804.7	0.9%	3.1%
Idaho	$717.6	$761.0	0.4%	6.0%
Other	$5,184.3	$5,305.0	2.7%	2.3%
Total	**$185,513.6**	**$199,736.1**	**100.0%**	**7.7%**

Exhibit 52 Distribution of Tax Liability by County and Selected Areas
All Form Types–Tax Years 2023 and 2024

County or Area	2023 Total Tax Liability ($ millions)	2024 Total Tax Liability ($ millions)	2024 Share of Total Tax Liability	% Change in Total Tax Liability 2023 to 2024
Baker	$23.0	$27.0	0.2%	17.0%
Benton	$234.9	$257.5	2.0%	9.6%
Clackamas	$1,503.4	$1,628.1	12.7%	8.3%
Clatsop	$84.2	$91.5	0.7%	8.7%
Columbia	$115.6	$121.0	0.9%	4.7%
Coos	$97.0	$103.3	0.8%	6.5%
Crook	$55.1	$61.6	0.5%	11.8%
Curry	$34.3	$36.1	0.3%	5.3%
Deschutes	$713.9	$793.9	6.2%	11.2%
Douglas	$174.9	$201.9	1.6%	15.4%
Gilliam	$3.3	$3.7	<0.1%	11.8%
Grant	$10.5	$10.9	0.1%	3.7%
Harney	$9.4	$10.1	0.1%	7.7%
Hood River	$68.6	$83.2	0.6%	21.3%
Jackson	$455.3	$493.6	3.8%	8.4%
Jefferson	$35.7	$40.3	0.3%	13.0%
Josephine	$128.1	$139.4	1.1%	8.8%
Klamath	$97.5	$107.0	0.8%	9.7%
Lake	$10.3	$11.0	0.1%	6.4%
Lane	$836.1	$914.6	7.1%	9.4%
Lincoln	$88.4	$101.1	0.8%	14.4%
Linn	$233.5	$253.4	2.0%	8.6%
Malheur	$30.7	$32.3	0.3%	5.3%
Marion	$682.9	$727.7	5.7%	6.6%
Morrow	$20.8	$21.8	0.2%	4.4%
Multnomah	$2,425.1	$2,618.0	20.3%	8.0%
Polk	$178.6	$191.5	1.5%	7.3%
Sherman	$3.7	$4.0	<0.1%	6.0%
Tillamook	$54.7	$59.7	0.5%	9.2%
Umatilla	$124.6	$133.1	1.0%	6.8%
Union	$45.2	$46.1	0.4%	2.0%
Wallowa	$14.1	$14.6	0.1%	3.2%

Exhibit 52 cont. Distribution of Tax Liability by County and Selected Areas All Form Types–Tax Years 2023 and 2024

County or Area	2023 Total Tax Liability ($ millions)	2024 Total Tax Liability ($ millions)	2024 Share of Total Tax Liability	% Change in Total Tax Liability 2023 to 2024
Wasco	$45.7	$49.3	0.4%	7.9%
Washington	$2,042.0	$2,223.4	17.3%	8.9%
Wheeler	$1.5	$1.5	<0.1%	5.6%
Yamhill	$251.8	$276.1	2.1%	9.6%
Clark Co., WA.	$254.8	$272.6	2.1%	7.0%
Other Wash.	$161.5	$165.1	1.3%	2.2%
California	$88.2	$86.7	0.7%	-1.7%
Idaho	$52.3	$55.1	0.4%	5.4%
Other	$386.5	$399.8	3.1%	3.4%
Total	**$11,877.8**	**$12,868.5**	**100.0%**	**8.3%**

Maps for Average Oregon AGI and Tax Liability, Effective Tax Rate, and E-filing Rate

Exhibits 53 through 56, pages 79-80, are maps showing the average AGI, tax liability, effective tax rate, and electronic filing rate for full-year resident returns in each county.

The map in **Exhibit 53**, page 79, shows that the counties with the highest average AGI were Clackamas ($122,430), Deschutes ($116,540), and Washington ($115,740). The counties with the lowest average AGI were Wheeler ($53,250) and Malheur ($58,490).

The map in **Exhibit 54**, page 79, shows that the counties with the highest AGI also had the highest tax liabilities, which were Clackamas ($8,210), Washington ($7,850), and Deschutes ($7,760). The counties with the lowest average tax liability were Wheeler ($2,740) and Malheur ($2,960).

The map in **Exhibit 55**, page 80, shows the effective tax rate (tax divided by AGI) for each county. The counties with the highest effective tax rates were Washington at 6.8 percent, and Clackamas, Deschutes, Hood River, and Multnomah all at 6.7 percent. The counties with the lowest effective tax rate were Malheur and Wheeler both at 5.1 percent. Because of Oregon's progressive tax bracket structure, populations with a greater income have a higher effective tax rate.

The map in **Exhibit 56**, page 80, shows the electronic filing rate for each county. The counties with the highest electronic filing rates were Sherman (97.0 percent), Morrow (96.4 percent), Malheur (96.3 percent), and Gilliam and Union both at 96.2 percent. The top 15 counties are in eastern and southern Oregon. The county with the lowest electronic filing rate was Marion (92.4 percent), where the main building of the Oregon Department of Revenue is located.

Exhibit 53 Average Adjusted Gross Income by County Full-Year Resident Returns–Tax Year 2024

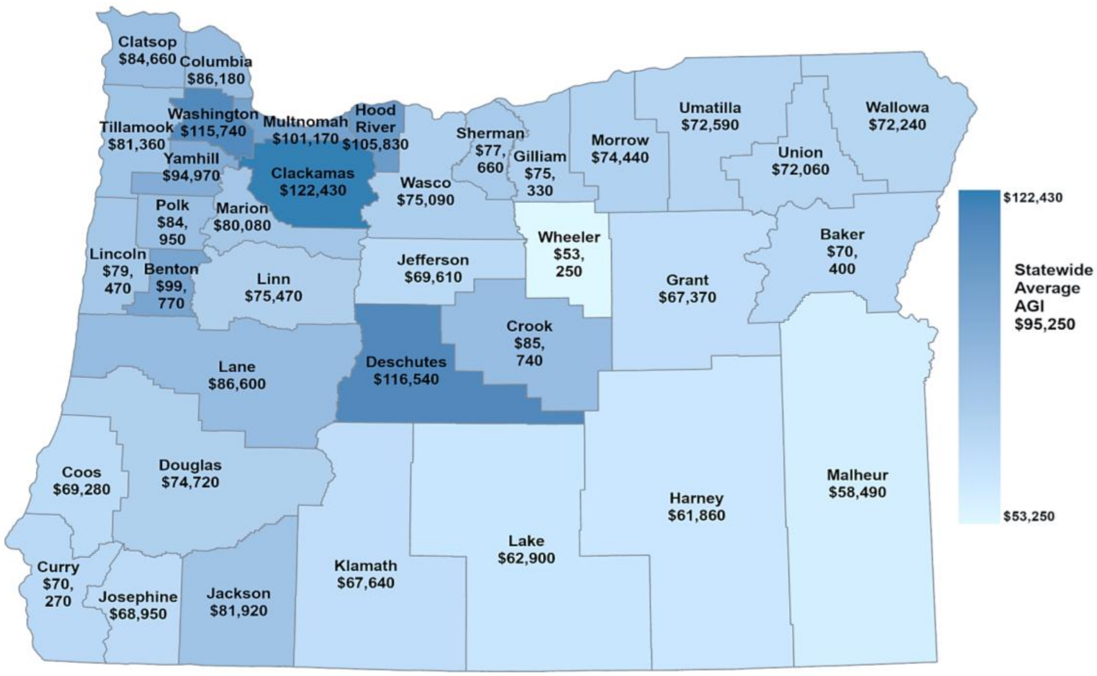


Exhibit 54 Average Tax Liability by County Full-Year Resident Returns–Tax Year 2024

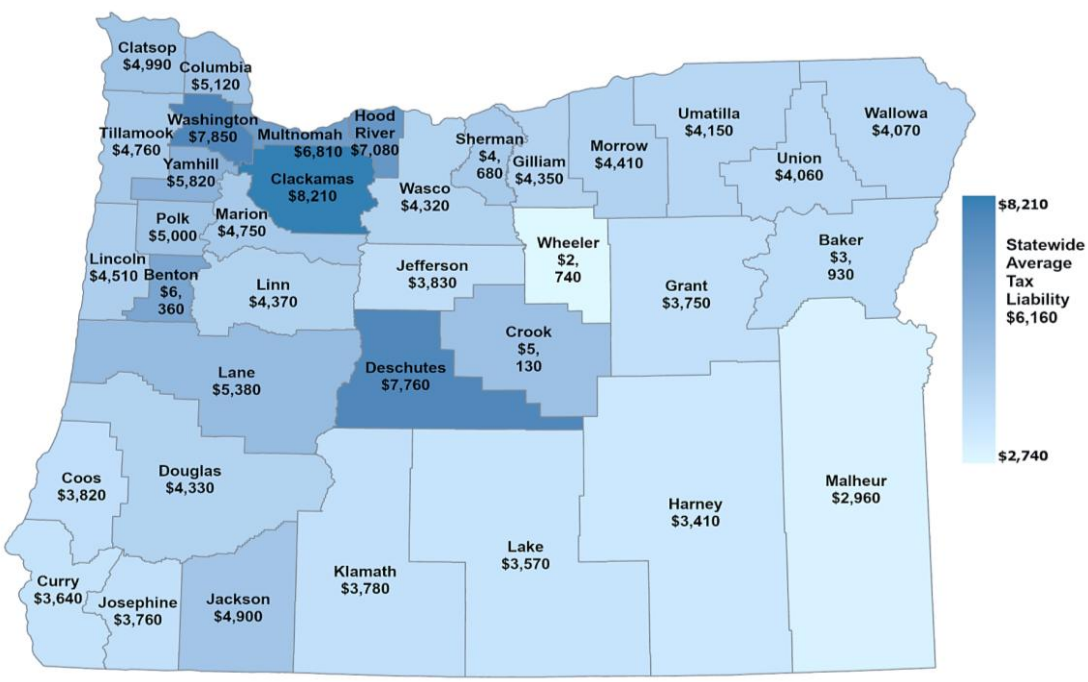
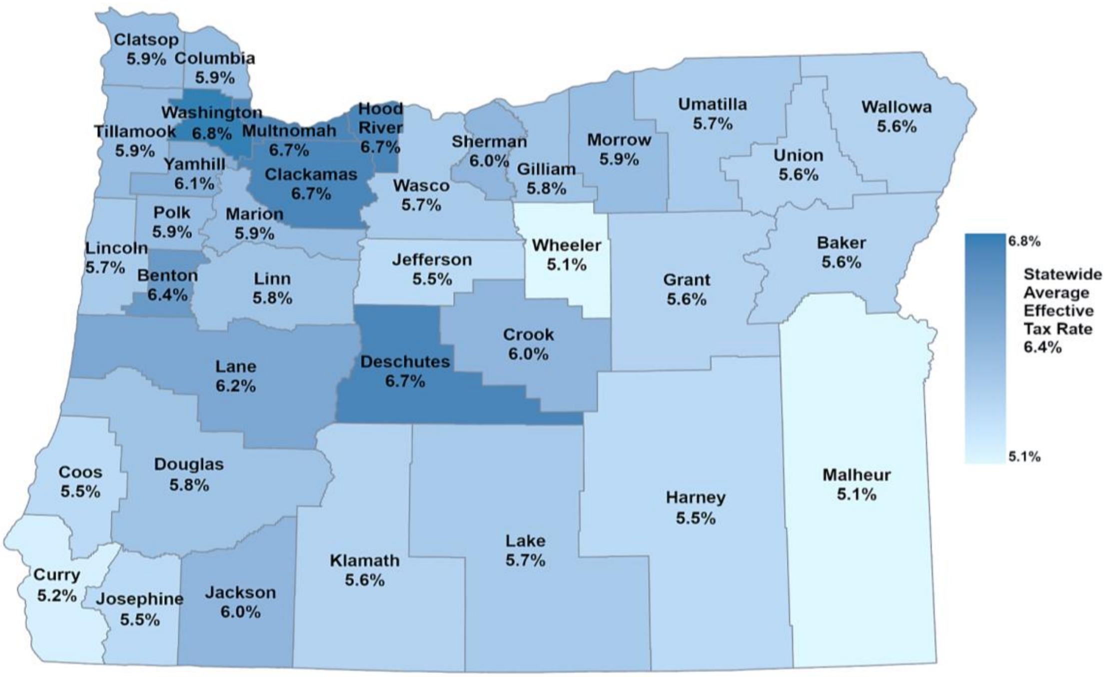
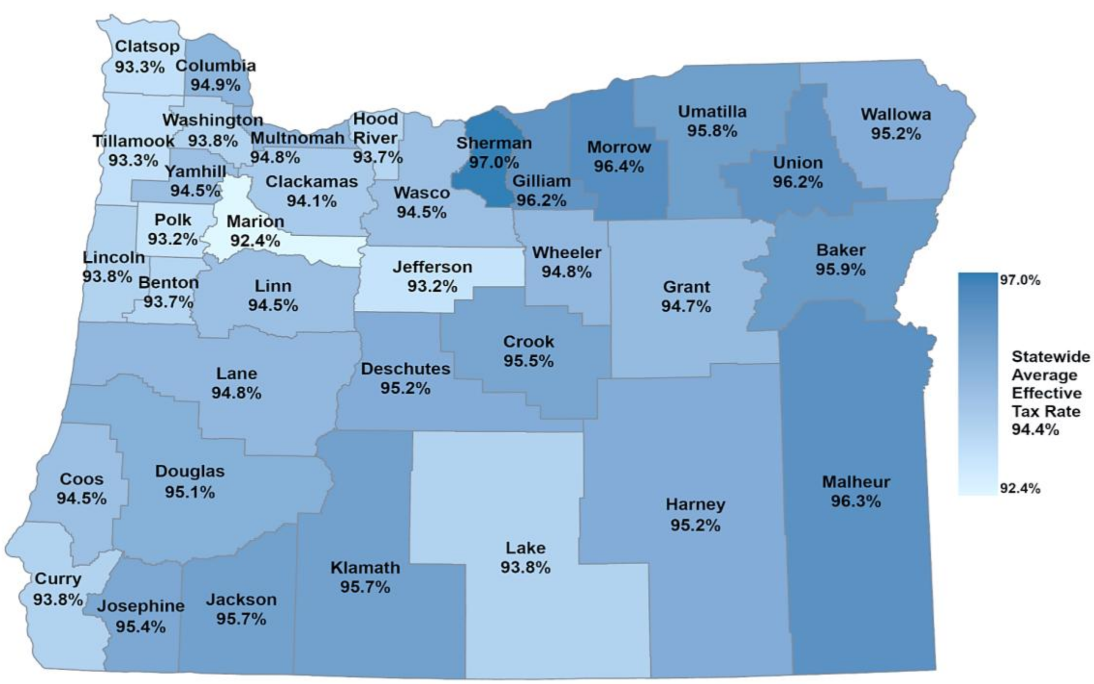


Exhibit 55 Effective Tax Rate* by County
Full-Year Resident Returns–Tax Year 2024



*Effective tax rate using Oregon AGI. See page 32.

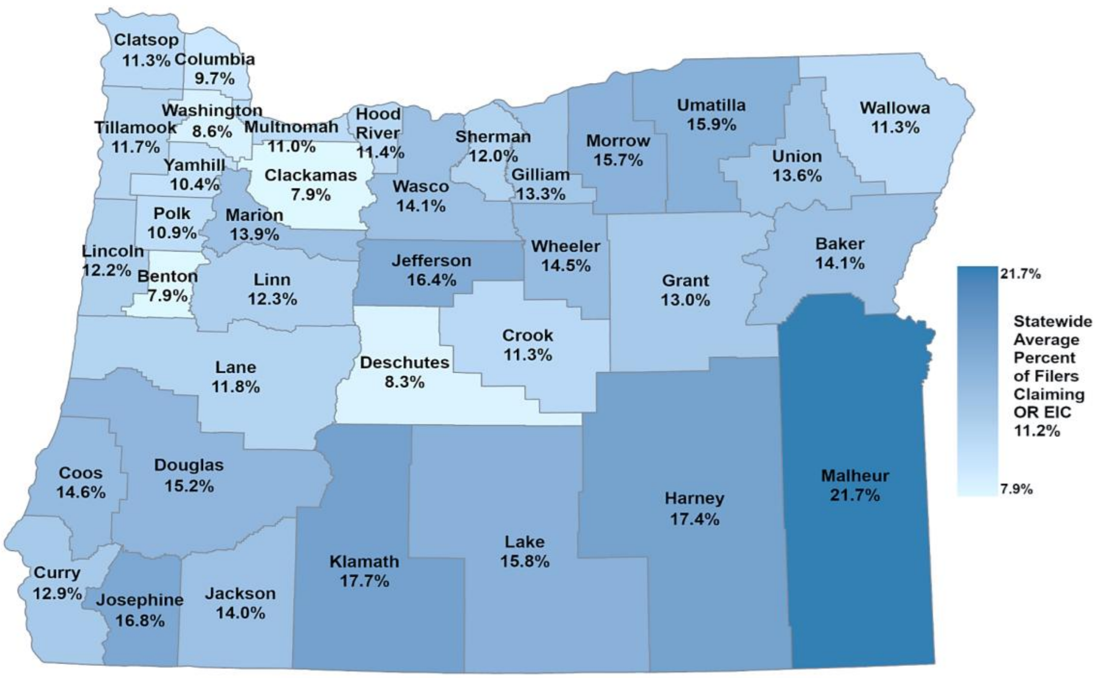
Exhibit 56 Electronic Filing Rate by County
Full-Year Resident Returns–Tax Year 2024



Map of Oregon EIC Claim Rate by County

The map in **Exhibit 57** shows the percentage of filed full-year resident returns claiming the Oregon earned income credit (EIC) for each county. The counties with the highest percentage were Malheur (21.7 percent), Klamath (17.7 percent), and Harney (17.4 percent). The counties with the lowest percentage of returns claiming the Oregon EIC were Clackamas and Benton both at 7.9 percent.

Exhibit 57 Oregon Earned Income Credit (EIC) Claim Rate* by County
Full-Year Resident Returns–Tax Year 2024



*Claim rate is the percentage of filed full-year resident returns in a given county claiming the Oregon EIC.

Appendix A: Two Percent Surplus Refund (Kicker) History

The 1979 Oregon Legislature passed the "Two percent kicker" law, which requires the state to refund excess revenue to taxpayers when actual General Fund revenues exceed the forecast amount by more than 2 percent.

Unlike individuals, corporations do not receive a kicker refund. With the passage of Measure 85 in 2012, corporation kicker amounts go to the State School Fund to provide additional funding for K-12 public education, beginning with the 2013–15 biennium. The information included here pertains only to the personal income tax kicker.

Before 1995, taxpayers claimed the refund via a tax credit on the Oregon return for the calendar year that included the date on which the biennium ended. For example, actual revenues exceeded the forecast amount for the 1987–89 biennium, which ended on June 30, 1989, so taxpayers claimed the credit on their tax year 1989 returns. Although actual revenues again exceeded the forecast amount two years later, the Legislature voted to suspend the kicker for the 1989–91 biennium.

The 1995 Oregon Legislature decided to issue taxpayers a check for the refund instead of having taxpayers claim a tax credit on the Oregon return. The amount of the refund was based on tax liability after credits for the first full calendar year of the biennium. The 2007 Oregon legislature changed the basis of the refund to tax before credits. This change particularly increased refunds to filers with large credits relative to their pre-credit liability, especially taxpayers claiming credits for taxes paid to other states. In 2009, the Legislature based the refund on tax before credits except for the credit for taxes paid to another state.

In 2011, the Legislature changed the refund mechanism for the kicker from a refund check back to a credit claimed on the Oregon return. Revenue for the 2021–2023 biennium exceeded the forecast by $5,619 million, resulting in a refund of 44.28 percent of the taxpayer's 2022 liability after the credit for taxes paid to another state but before other credits. Taxpayers claimed this kicker refund as a refundable credit on their 2023 tax return.

Exhibit 58 on the following page shows the history of the personal income tax kicker since its inception in 1979.

Exhibit 58 Personal Income Tax Kicker History*
Biennia 1979–81 to 2023–25

Biennium	Tax Year	Surplus or Shortfall ($ millions)	Credit or Refund (% of tax liability)
1979-81	1981	-$141	None
1981-83	1983	-$115	None
1983-85	1985	$89	7.70%
1985-87	1987	$221	16.60%
1987-89	1989	$175	9.80%
1989-91	1991	$186	Suspended
1991-93	1993	$60	None
1993-95	1994/5	$163	6.27%
1995-97	1996/7	$432	14.37%
1997-99	1998/9	$167	4.57%
1999-01	2000/1	$254	6.02%
2001-03	2002/3	-$1,249	None
2003-05	2004/5	-$401	None
2005-07	2006/7	$1,071	18.60%
2007-09	2008	-$1,113	None
2009-11	2010	-$1,050	None
2011-13	2012	$124	None
2013-15	2014	$402	5.60%
2015-17	2016	$464	5.60%
2017-19	2018	$1,688	17.17%
2019-21	2020	$1,898	17.34%
2021-23	2022	$5,619	44.28%
2023-25	2024	$1,410	9.86%

*2026 Oregon Public Finance: Basic Facts, Research Report #1-26, Legislative Revenue Office.
[Legislative Revenue Office page listing 2026 Oregon Public Finance Basic Facts.]

Appendix B: Data Validation and Statistical Reporting

Information presented in this publication comes from tax year 2024 Oregon personal income tax returns the Oregon Department of Revenue (DOR) received during calendar year 2025. If an amended return for tax year 2024 was received by December 2025, any information from the amended return that changed from the original return is used in the data for the publication. Original or amended returns received later than December 2025 are not included.

Aside from initial adjustments made during return processing, data from audit activity is not included nor considered. The department uses considerable data validation to maintain the accuracy of reported information and ensure the internal consistency of individual returns.

Data Validation

Most returns are filed electronically and are initially processed by the DOR computer system automatically. Paper returns, whether submitted with or without a 2-D barcode, are scanned by an imaging system, which went online in late 2018. The imaged version of paper returns is used to retrieve tax information. For paper returns that cannot be read properly by the scanning system, the tax return information must be entered manually. During the initial processing of all returns, returns with errors are identified.

Some of the errors will result in letters to taxpayers or some human intervention to make corrections before final processing. Following return processing, there are additional data checks to identify returns that are not internally consistent. In many cases, the paper returns are inspected to find systematic errors and encode data handling rules for those returns.

To the extent possible, the Research Section modifies inconsistent data in a manner believed to correct errors on the returns. The data handling procedures used for this report are not connected with other DOR business. Examples of the data handling procedures include:

- If the return reports a tax liability that is incorrect given the reported income and tax rates, the reported amount is replaced with the corrected amount.
- If the amount reported for the total of nonrefundable credits exceeds the amount of pre-credit tax liability, the amount used for each credit is calculated by proportionally reducing those credits, so their sum equals the pre-credit tax liability.
- The city reported in the address on a return is screened for spelling and corrected as appropriate. (Reported cities do not always match with officially incorporated cities.)
- If a line on a return is blank, the associated value is set to zero.
- If the date of birth would make a filer's age unreasonable, the age is set to missing. (Age is the taxpayer's age on July 1 of the tax year to match Oregon population data).

If an amount on a return is computed based on other line items (e.g., tax liability depends on income, subtractions, credits, etc.) and data handling alters the line items on which it depends, the amount is recomputed.

Statistical Reporting

Following the finalization of the data handling, the DOR Research Section creates statistical summaries. All summaries are derived from the complete database of returns; they are not based on statistical samples. Means, sums, percentages, etc. are computed using their simple arithmetic definitions (computations are performed using SAS and Excel).

The following are the general rounding guidelines used in this report – return counts to the nearest multiple of 10, total dollar amounts to the nearest $0.1 million, average dollar amount to the nearest multiple of $10, and percentages to the nearest 0.1 percent. Due to rounding, the sum of separate quantities may not correspond exactly to some totals.

For summaries associated with claims of certain adjustments, additions, subtractions, or credits, zeros in the data are excluded when calculating means (except as noted). A return is counted as claiming the item if the associated amount is non-zero.

In tables summarizing amounts by AGI quintile, ranking is used to determine in which quintile each return is placed. Due to ties in ranks, the number of returns represented by each quintile may differ slightly.

Appendix C: Glossary of Terms

Additions. Income not taxed by the federal government but taxed by Oregon and federal deductions from AGI that Oregon does not allow.

Adjusted gross income (AGI). *See Federal adjusted gross income or Oregon adjusted gross income.*

Adjustments. Deductions from income subject to federal tax, such as IRA contributions, student loan interest, medical savings account contributions, moving expenses, one-half of self-employment taxes, self-employed health insurance premiums, self-employed SEP contributions, penalties on early withdrawal of savings, alimony paid, certain business expenses, and health savings account contributions. Adjustments are subtracted from total federal income to compute AGI; reported on federal Form 1040, Schedule 1.

Biennium. The period of two fiscal years for which the state budgets are determined. For example, July 1, 2021, to June 30, 2023, is referred to as the 2021–2023 biennium.

Business income. Profit or loss from sole proprietorship business (not partnership and corporate income). Reported on federal Schedule C. *See also Sole proprietorship.*

Capital gains. For tax years 1986 and earlier, this figure indicates the amount after the 60 percent capital gains exemption. Beginning with tax year 1987, this figure indicates 100 percent of the net capital gains. Reported on federal Schedule D.

Charitable checkoff donations. Optional donations by which taxpayers may designate all or part of a tax refund as a contribution to a charity or charities as listed on Schedule OR-DONATE.

Credits. Total amount of tax credits. Includes personal exemption credit, Oregon earned income credit, working family household and dependent care credit, retirement income credit, credit for elderly and disabled, child and dependent care credit, political contribution credit, credit for taxes paid to another state, and other credits. *See also Earned income credit, Exemption tax credit, Federal earned income credit, Federal education credits, Oregon earned income credit, Personal exemption credit, Retirement income credit, or Working family household and dependent care credit.*

Deductions (itemized or standard). Taxpayers may reduce the amount of taxable income by the greater of the standard deduction or their itemized deductions. For 2024, the standard deduction amounts are $2,745 for a single filer, $4,420 for a taxpayer filing as head of household, and $5,495 for a joint filer. Itemized deductions include deductions for medical expenses, property taxes, home mortgage interest, and gifts to charity.

Earned income credit. *See Federal earned income tax credit or Oregon earned income credit.*

Effective tax rate. Tax liability divided by either taxable income or adjusted gross income.

Exemptions (number of). Total number of exemptions claimed (self, spouse, and dependents plus special exemptions for severely disabled adults and disabled children). Individuals who are claimed as dependents on their parents' returns but who receive separate income claim zero exemptions on their own returns. *See also Exemption credit.*

Exemption credit. A credit for each exemption claimed on a return, subject to AGI limitations and indexed for inflation. In 2024, the exemption credit was $249 per exemption.

Farm income. The amount of farm income reported on federal Schedule F. It does not include the farm income of any farm operated as a partnership or corporation. *See also sole proprietorship.*

Federal adjusted gross income (Federal AGI). Total income subject to federal tax minus federal adjustments. For full-year returns, Oregon AGI equals federal AGI.

Federal earned income tax credit (EITC). A federal, refundable income tax credit for low-income working taxpayers. The amount depends on income and the number of dependent children. *See also Oregon earned income credit.*

Federal income. The gross income people receive from all sources that is not exempt from federal income tax. *See also Gross income.*

Federal income tax subtraction. An Oregon subtraction for federal income tax liability. For 2024, the deduction is limited to $7,250 per return (half if married filing separately) and phased out for higher-income taxpayers.

Federal pension income subtraction. The portion of federal pension income earned before October 1, 1991 that can be subtracted from AGI on the Oregon return.

Filer. An individual who files a personal income tax return. A return is associated with only one filer. For joint returns, the person listed first on the tax return is the filer.

Full-year resident (FY) returns. Returns filed by full-year Oregon residents (Form OR-40).

Gross income. All income people receive in the form of money, goods, property, and services that is not exempt from federal income tax, including any income from sources outside the United States.

Head of household. Filing status available for unmarried individuals who furnished over half of the cost of maintaining a household for the entire year for at least one qualifying dependent.

Interest on installment sales. Interest on deferred tax on income from certain property sold using the installment method. Added to Oregon tax before credits.

J Tax Brackets. The tax brackets that are used to compute tax for taxpayers with filing statuses married filing jointly, head of household, and qualifying surviving spouse. The income breakpoints for the J brackets are twice that of the S brackets.

Joint. Filing status. *See also Married filing jointly and Registered domestics partners (RDP).*

Kicker. *See State surplus refund.*

Married filing jointly. Filing status available to married couples. The married couple files one return representing the combined income of the two spouses.

Married filing separately. Filing status available to married individuals. Each married individual files a separate return.

Miscellaneous income. Positive and negative income reported on the federal return as alimony, unemployment benefits, farm income (loss), state tax refunds and other income (loss).

Net federal tax. The sum of basic federal tax, alternative minimum tax, tax on IRAs, and other income taxes, minus federal tax credits.

Nonresident (NR) returns. Returns filed by individuals with income earned in Oregon whose permanent homes (domiciles) were outside Oregon for the entire tax year (Form OR-40-N).

Oregon adjusted gross income (Oregon AGI). For full-year resident filers, Oregon AGI is the same as federal AGI. Generally, for nonresidents, Oregon AGI is the component of federal AGI that comes from Oregon sources. For part-year residents, Oregon AGI is the components of federal AGI that come from all sources while a resident of Oregon and any components of federal AGI that come from Oregon sources while a nonresident. *See Federal adjusted gross income*.

Oregon Kids Credit A refundable credit available for low-income taxpayers with dependent age five or younger on their Oregon tax return. In 2024, the maximum amount of the credit is $1,000 per dependent age 5 or younger with a total maximum amount of $5,000.

Oregon earned income credit (EIC). A refundable credit equal to a percentage of the federal EITC amount. In 2024, the credit was 12 percent of the federal EITC for taxpayers with a dependent under the age of three, and 9 percent for all others. *See also Federal earned income tax credit.*

Oregon medical subtraction for elderly. A subtraction of up to $1,800 in eligible medical expenses per taxpayer or spouse who meets the minimum age requirement, subject to income limitations that are not indexed for inflation. The minimum age is 66 to claim the subtraction.

Other income. Income or losses reported on the “other income” line of the federal return. It is derived from a variety of sources such as gambling winnings, activity not for profit, canceled debts, net operating losses, etc.

Pass-through entity (PTE). A business that is typically formed as a partnership or S corporation or treated as such for tax purposes. The income of the business is “passed through” to the partners/shareholders and taxed through the personal income tax. *See also Sole proprietorship, Partnership, and S corporation*.

Partnership. A partnership is a relationship between two or more persons who join to carry on a trade or business, with each person contributing money, property, labor, or skill and each expecting to share in the profits and losses of the business whether or not a formal partnership agreement is made. A partnership does not pay tax on its income but "passes through" any profits or losses to its partners. Partners must include partnership items on their tax or information returns. *See also Pass-through entity*.

Part-year (PY) resident returns. Returns filed by individuals who moved either into or out of Oregon during the tax year (Form OR-40-P).

Qualifying surviving spouse Filing status available for unmarried individuals whose spouse died during the previous two years, who did not remarry in the current tax year, and who have a child that can be claimed as a dependent.

Quintile (income). A subset of a database that contains 20 percent of all records and is determined by arranging the records from the lowest income to the highest income and then dividing the database into five equally sized subsets.

Registered domestics partners (RDP). Couples who are not married but are registered as domestic partners under Oregon law. RDPs are considered to be married individuals and are not eligible to use the single filing status on an Oregon return. RDPs must complete a federal return as if they were filing as married taxpayers filing jointly or separately and submit it with their Oregon return.

Retirement income credit. A nonrefundable credit that is not indexed for inflation, for filers who meet income and age requirements and have income from pensions, annuities, IRAs, or deferred income compensation plans. Taxpayers 62 or older may qualify. Household income may include nontaxable income; limits are $45,000 for joint filers and $22,500 for all others.

Return. A form filed by a taxpayer to report their income and tax. This may refer to the physical or electronic form submitted by the taxpayer. Once the information from the return is entered into the system, this information at the taxpayer level is also referred to as the return. In this publication, this term is used most often to refer to an Oregon personal income tax return.

Returns (number of). The number of returns filed.

S corporation. Refers to corporations electing to be taxed under Internal Revenue Code subchapter "S." S corporations are pass-through entities, in which the corporation's income and losses are "passed through" to the S corporation's shareholders, where they are taxed as personal income. A corporation qualifying under Subchapter S can have no more than 100 shareholders, who must be U.S. citizens or residents. *See also Pass-through entity*.

S Tax Brackets. The tax brackets used to compute tax for taxpayers with filing statuses single and married filing separately.

Single. Filing status for unmarried individuals who do not qualify as head of household or a qualifying surviving spouse.

Sole proprietorship. A business that is owned and run by an individual. With a sole proprietorship, the individual and business are the same. *See also Business income, Farm income, and Pass-through entity.*

Social Security income (federally taxable). Oregon does not tax Social Security income. The taxable portion of Social Security from the taxpayer's federal return is included in Exhibit 23. The Social Security subtraction is reported in Exhibits 28 and 29.

State surplus refund (kicker). A refund of excess revenue when revenues collected for the biennium are more than two percent higher than was forecast at the time the budget was adopted.

Subtractions. Income that is taxed by the federal government but not taxed by Oregon and Oregon deductions from AGI that are not allowed federally.

Tax Cuts and Job Act (TCJA). The common name of Public Law 115-97, an act passed by Congress at the end of 2017. The TCJA made some major changes to the federal income tax beginning in tax year 2018. With Oregon's connection to the federal income tax, the effect of some of these changes flows through to Oregon's personal income tax. Some examples of these changes with flow-through effects are limitations or eliminations of several federal adjustments and itemized deductions.

Tax due. Amount of remaining tax owed after subtracting tax credits and payments, which include withholding and estimated payments.

Tax filer. *See Filer.*

Tax liability. The amount of tax owed by a taxpayer before accounting for any payments made by the taxpayer. It is the total tax reduced by non-refundable credits and further reduced by any portion of refundable credits, up to the amount of remaining tax.

Taxpayer(s). An individual or individuals represented by a return. In the case of joint returns, there are two taxpayers represented: the filer and the spouse (or registered domestic partner). Dependents listed on taxpayers' returns are not considered taxpayers unless they file their own Oregon personal income tax return.

Tax withheld. Payments of tax withheld by employers from salaries and wages. The amount withheld is based on wages earned during the pay period. Tax may also be withheld from other income sources such as pensions and IRA distributions.

Taxable income. Oregon AGI plus additions, minus subtractions, minus allowable deductions. The amount of income subject to Oregon tax. Set to zero if negative.

Taxable pensions. Category of income that includes taxable pension income, federally taxable Social Security income, and taxable IRA distributions.

Total tax. The amount of Oregon tax computed from taxable income using the current tax rates before tax credits are subtracted. For some filers, total tax includes tax related to interest on installment sales, farm income averaging, farm capital gains taxed at five percent, or income from qualified sole proprietorships or pass-through entities taxed at reduced rates.

Working family household and dependent care credit. A refundable credit that is available to low-income families with qualifying dependent care expenses. The amount is based on AGI, expenses paid, and household size.

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