



DOR Tax Professional Liaison Meeting

October 31, 2025

Hosted by: Daron Prara

Agenda

- Welcome!
- Tax Pro mailbox Q&A
- POA form update
- Appeals
- Authorization forms updates
- VSI Update
- Statewide Transit Tax
- Break
- Federal One Big Beautiful Bill Updates
- Payroll
- PTAC Updates

Presenters

Business

- Chris Cox
- Joil Southwell

Personal Income Tax

- Chelse Leavitt
- Richard Daughters
- Robert Oakes
- Daron Prara



Tax Pro Meeting Mailbox

October 31, 2025

Daron Prara, Operations and Policy Analyst

Tax Pro Mailbox Q&A

Q. Can you ask the Office of Economic Analysis what their current estimate of the percentage of the kicker credit individuals will get on their 2025 tax returns?

A. The kicker percentage information is released during the economic forecast presentations to the legislature. They do not release that information to us early. The next forecast is scheduled for November 19th and can be watched online by going to the Oregon Legislative Information System, also known as OLIS.

Tax Pro Mailbox Q&A (continued)

Q. Since the department is issuing postcards to notify taxpayers that they have a 1099 available, can't the department just use that postcard as the 1099 so taxpayers won't miss adding the income?

A. As we all know, the department use to issue paper 1099s but moved to electronic copies several years ago. With today's criminal activities, such as the recent email scam that was using the department's name, we are always looking for better ways to secure taxpayer information, and we also want taxpayers to know if we are sending them information. Having electronic 1099s isn't as convenient as it was when it was paper, but it offers better protection for our customers.

Tax Pro Mailbox Questions

Q. Would it be possible to institute a default rule that tax preparers automatically have the authority to discuss the returns they prepare?

A. I know this was asked of one of our disclosure presenters several Tax Pro meetings ago. I reached out for follow-up and received the response that we always encourage the use of the authorization forms. However, in certain instances such as this, the preparer may be able to talk us with implied consent under ORS 305.193 and OAR 150-305-0120.

From my viewpoint there are a couple things you might want to consider if you are using Implied Consent such as whether this is most likely a one-call situation, or possibly multiple contacts? Is this a rush, or do you have time to send a form? Keep in mind that staff has discretion as to whether enough information has been provided to warrant implied consent, with some staff requiring much more information. We want to help resolve issues, but also want to secure taxpayer data, and face heavy fines and possible jail time for improper disclosure. Our rule has quite a few examples of instances where implied consent may be granted.

Tax Pro Mailbox Question

Q. I would like clarification on the deductibility of Foreign taxes paid for high income taxpayers. The deduction for federal income taxes is zero for taxpayers filing jointly with AGI exceeding \$290,000. Since these taxpayers will have a zero deduction for federal taxes, does this mean that they can deduct \$3,000 of their foreign taxes paid?

A. ORS 316.690 addresses foreign income taxes and subsection 2(a) allows for a \$3,000 foreign income tax subtraction unless limited by ORS 316.695(3) which is the phaseout amounts. The example in the question is in excess of the phaseout amount so the taxpayers would not be able to deduct the federal or foreign tax paid.



Communications Survey

October 31, 2025

Robert Oakes, Operations and Policy Analyst

Revenews about Survey



Right-click or tap and hold here to download pictures. To help protect your privacy, Outlook prevented automatic download of this picture from the Internet.
Oregon Department of Revenue

Revenews

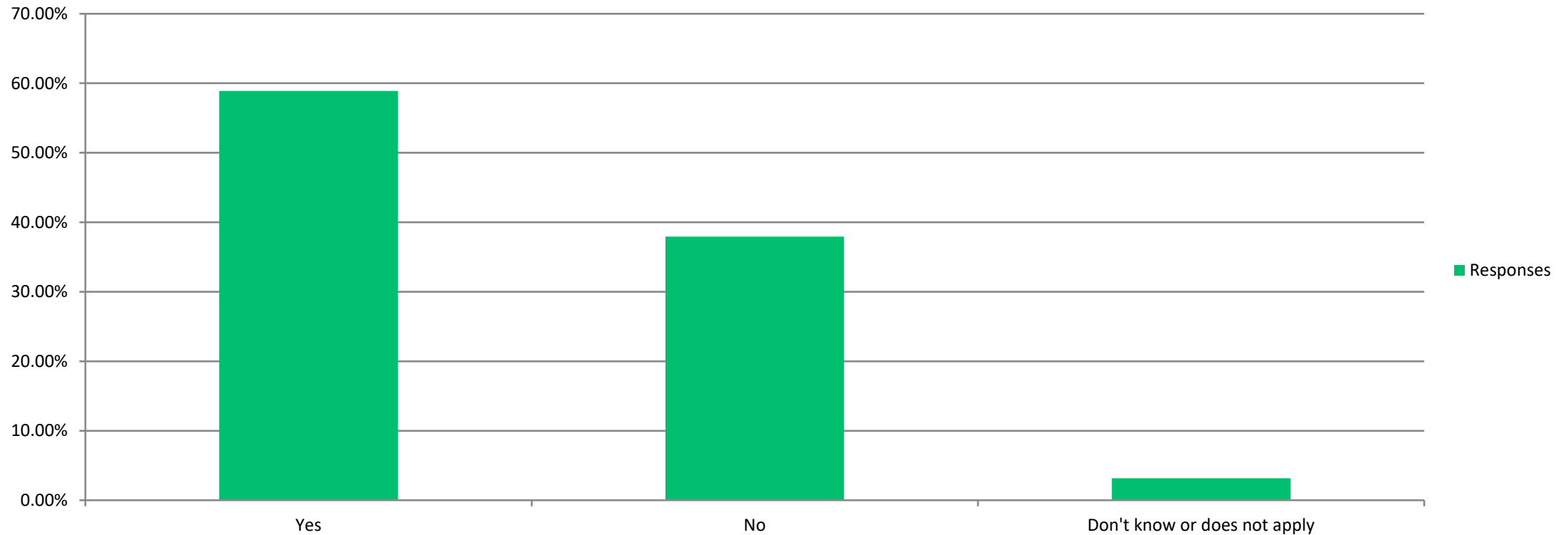
DOR asking tax professionals how to best meet their communications needs

The Oregon Department of Revenue (DOR) is asking tax professionals to fill out a brief survey about how you prefer to receive information from us. Survey results will help the department provide information to tax professionals, especially as the tax filing season approaches.

DOR offers several resources for tax professionals, including:

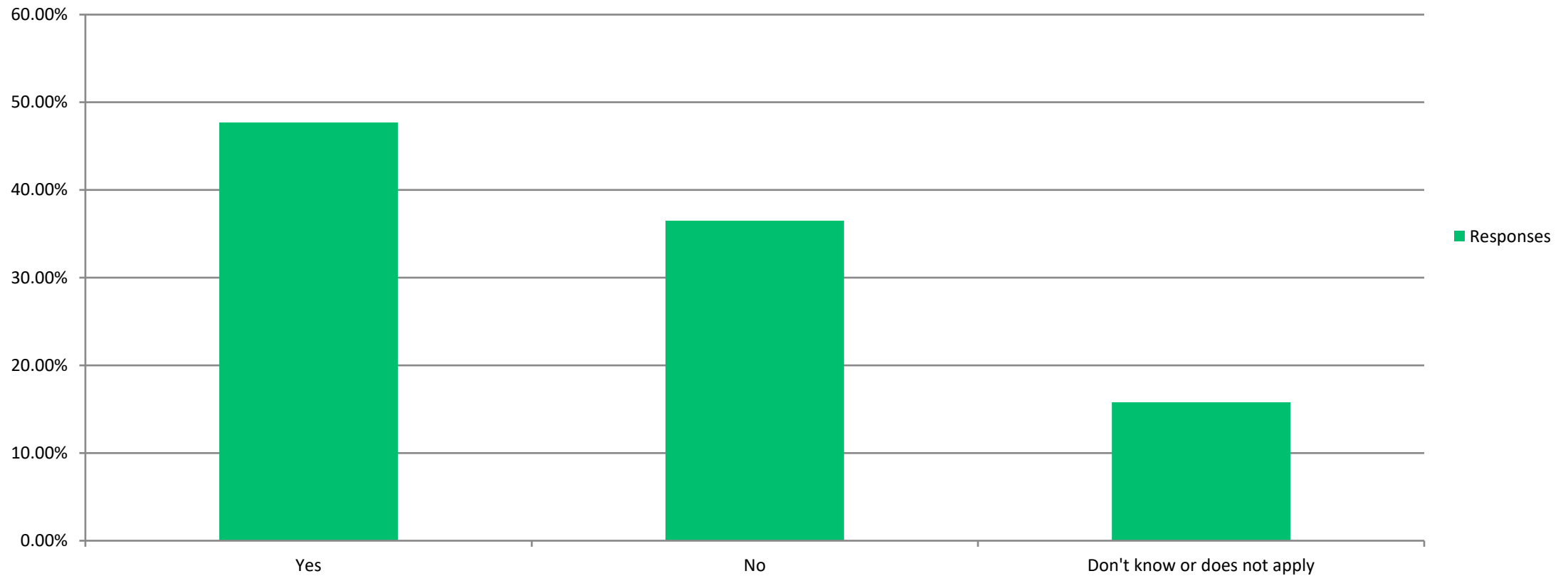
Communications Survey Results

During the past year, have you viewed our website for tax professionals or reached out to our tax practitioner specialist?



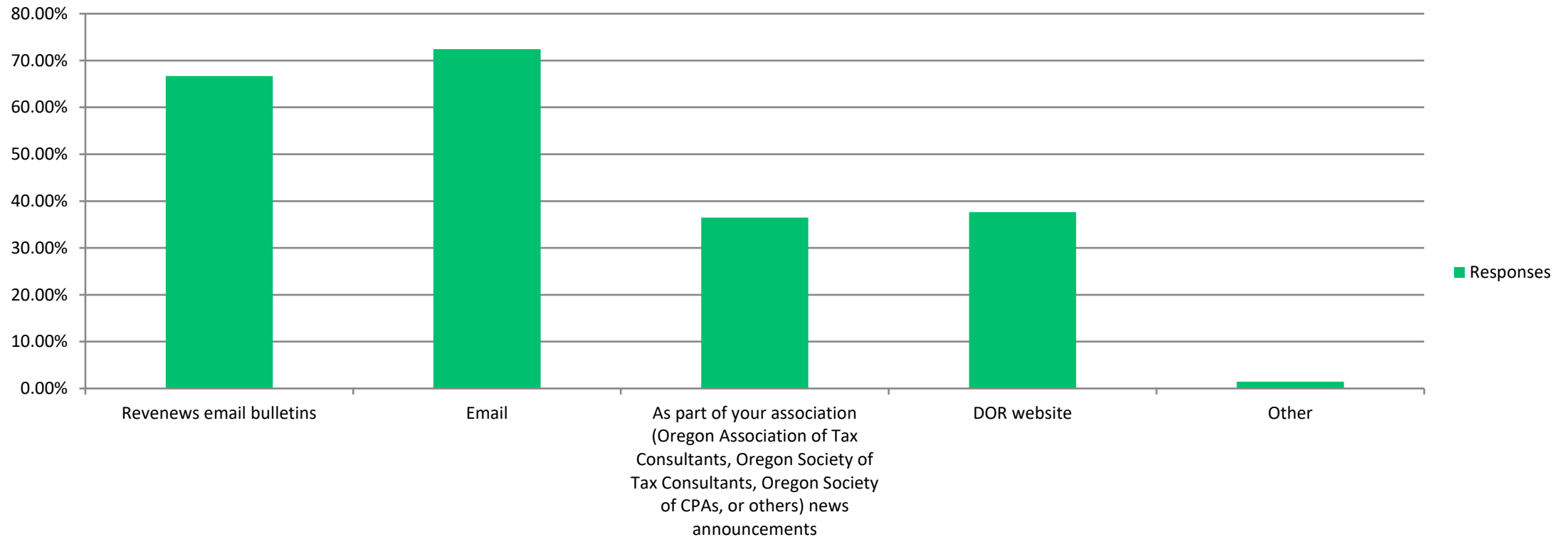
Communications Survey - Revenews

Are you currently subscribed to Revenews bulletins?



Communications Survey - Channels

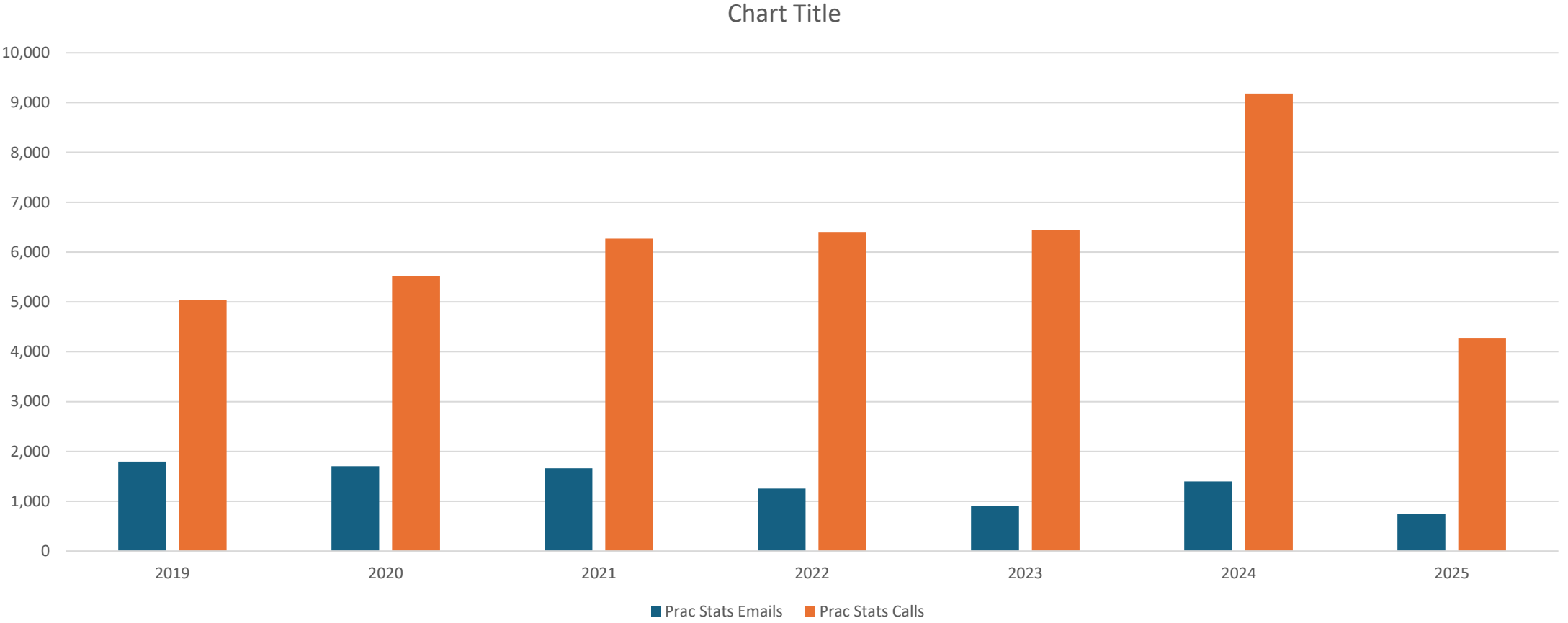
How would you like to receive information from DOR about state tax programs, policies and other announcements? Check all that apply.



Communications Survey - Details

- [Take the Communications survey](#)
- Please complete the survey by November 10.

Tax Practitioner Contacts





Tax Appeals

October 31, 2025

Robert Oakes, Operations and Policy Analyst

Oregon Tax Appeals

Amended Rule - Agriculture Overtime Tax Credit

- State law requires agricultural employers to pay for overtime hours worked
- Provides a refundable personal or corporate income tax credit for employers for a percentage of wages paid as overtime
- Began in the 2023 tax year.

Oregon Tax Appeals – AG OT

- Application period – January 1 - 31
- DOR reviews applications for eligibility criteria – January to February
- Appeal requests due from applicant within 30 days
- DOR notifies qualified applicants of their approved credit – by June 1
- Taxpayers file returns claiming the credit by extension deadline – October 15

AG OT Tax Appeals

OAR 150-315-0071

- Original rule stopped appeals at DOR Director's Office
- Rule amended to match other tax appeal - fairness
- AG OT applicants can now appeal to the Oregon Tax Court

AG OT Tax Appeals – Administrative Rules

- 2023 - DOR issued about 100 combined denial or adjustment notices.
- Amended rule took effect October 2, 2025
- Applicants receive an appeal opportunity with full tax appeal rights.

Tax Appeals - Deficiency

Follow appeal process on DOR Web site

Notice of Deficiency

- Written object within 30 days of notice
- Conference request within 30 days of notice
- Appeal to Oregon Tax Court
- Within 90 days of Notice of Assessment, or two years from the date tax is paid in full.

Tax Appeals – Refund Adjustment

Notice of Refund Adjustment

- Written object within 30 days of notice
- Conference request within 30 days of notice
- Appeal to Oregon Tax Court - within 90 days of written objection determination letter or conference decision, or 120 days from the date of the notice if no objection or conference request.

Tax Appeals - Denials

Penalty or interest waiver denial

- No written objection
- Conference request within 30 days of decision letter
- No appeal to Oregon Tax Court (conference decision final)

Tax Appeals - Underpayment

Interest on underpayment of estimated tax

- Written objection within 30 days of notice
- Conference request within 30 days of notice
- Appeal to Oregon Tax Court within 90 days

Tax Appeals - Assessments

Notice of Assessment for not filing Oregon personal income or corporation tax

- No written objection
- No conference request
- Appeal to Oregon Tax Court within 90 days of date on assessment letter

Questions?

- Phone: 503-378-4988 or 800-356-4222
- Email: questions.dor@dor.oregon.gov



Authorization Forms

October 31, 2025

Robert Oakes, Operations and Policy Analyst

Oregon Tax Authorization Forms

In 2024, the Department of Revenue launched two new authorization forms and instructions:

- OR-AUTH-REP (Authorization to Represent)
- OR-AUTH-INFO (Authorization to Receive Tax Information)

Oregon Tax Authorization Forms – Before Filing

- Old forms on file, no changes.
- Going forward, old forms are no longer accepted
- Check that you are using one of our two new forms.
- Sign the form

Oregon Tax Authorization Forms - Rules

- For the OR-AUTH-REP form, the taxpayer and the representative must sign and date
- For the OR-AUTH-INFO form, the taxpayer must sign
- Addresses must match
- Representatives must list credentials

Oregon Tax Authorization Forms -Spanish

[Form OR-AUTH-INFO Spanish](#)

[OR-AUTH-INFO instructions Spanish](#)

YouTube Video about New Forms



Questions? - Contacts

- Phone: 503-378-4988 or 800-356-4222
- Email: questions.dor@dor.oregon.gov



Oregon Voluntary Self-Identification (OR-VSI)

Understanding the new race/ethnicity
self-identification initiative in Oregon tax filings

October 31, 2025

Chelse Leavitt - Personal Income Tax Outreach Coordinator

Today's Agenda

1. What is OR-VSI?
2. Purpose and Use of the Data
3. Who Participates and How
4. Completing the Form and What Data is Collected
5. Implementation Timeline & Regulatory Framework
6. Benefits, Challenges & Concerns
7. Practical Guidance & Best Practices
8. Use Cases and Policy Implications
9. Summary

What is OR-VSI?

- OR-VSI is the “Voluntary Self-Identification” of race and ethnicity in Oregon tax system
- It’s an optional form that taxpayers can submit alongside their Oregon personal income tax return.
- The idea is to allow Oregon Department of Revenue to gather demographic info to inform equitable tax policy.
- Law and rule basis: Oregon Administrative Rule **150-316-0662** mandates that for tax years starting January 1, 2024 the Department provide a form for voluntary self-identification.

Purpose and Use of the Data

- The data is **strictly limited** in how it can be used.
- For racial impact statements
 - Administrative rules and budget analysis
 - Responding to legislative requests
- The data is **confidential** and **voluntary**. There is **no tax penalty or benefit** tied to participation.

Purpose and Use of the Data (Cont.)

- If you file the form, your SSN or ITIN may be used to match your tax return to your VSI data. If you don't file it, no matching occurs.
- Access: Only limited state offices (Legislative Revenue Office, Oregon Office of Economic Analysis) may use the data for policy research.

Purpose and Use of the Data - VSI

VSI Response Rate per Filed Return by Filing Method as of August 11, 2025

Filing Method	Total Number of Returns Filed	Number of Returns with VSI Response	VSI Response Rate per Filed Return
Electronic	1,960,000	100,000	5%
DirectFile through DOR ROL	13,000	3,600	27%
2D Barcode ²	77,000	3,300	4%
Paper	35,000	<400	1%
Total	2,090,000	107,000	5%

Purpose and Use of the Data - Continued

- Only 5 percent of Oregonians completed the form.
- Confusion around the form's requirements may have contributed to the low participation rate, so we will clarify instructions to improve participation and data quality for 2026.
- Research staff also plans to investigate demographic information for taxpayers who provided race and ethnicity data compared to the full filing population.
- However, with an estimated 150,000 extended returns still expected in 2025, a complete analysis won't be possible until 2026.

Who Can (or Must) Participate and How

- **All Oregon taxpayers** (and non-filers, optionally) are eligible to provide this data.
- The form is **voluntary** — you can opt in or opt out.
- For taxpayers using a tax preparer or software, the preparer **informs clients** of the option to fill out the form or opt out.

Who Can (or Must) Participate and How (Cont.)

How to file:

- With your Oregon personal income tax return (if filing)
- Or separately via **Revenue Online** (even if you don't file a return)
- For paper filers: Enter first four letters of last name in the form's header so pages stay together.

Completing the Form and What Data is Collected

- You may choose up to **three** race/ethnicity codes—one primary and up to two additional.
- There are about **40 categories/codes** you can choose from.
- If you don't know or don't have a race/ethnicity identity, there's a code "999" or a checkbox for "I don't have a primary race or ethnic identity."
- Married/joint filers: both spouses (or registered domestic partners) fill out separate forms.
- Amended returns: you may include OR-VSI or update your information when amending.

Implementation Timeline and Regulatory Framework

- Effective date: tax years starting **January 1, 2024** onward.
- Administrative Rule: **150-316-0662** (Voluntary Self-Identification) sets out permitted uses and restrictions.
- Software and tax preparer compliance: Vendors must not retain or use race/ethnicity data beyond tax preparation.
- Preparers must disclose option to clients.
- There is **no sanction** for opting out or not providing the information.

Benefits, Challenges and Concerns

Benefits:

- Better data to understand how tax policies affect different racial and ethnic groups
- Provide information which could inform equitable policy design
- Increase transparency in tax system

Benefits, Challenges and Concerns (Cont.)

Challenges / Concerns:

- Privacy and data security — ensuring sensitive demographic data is protected
- Public trust — some may worry about misuse
- Participation bias — if only some people respond, data may not fully represent populations
- Administrative burden on tax preparers and software vendors

Practical Guidance and Best Practices

- Tax professionals: Always inform clients of the option (opt in or opt out).
- Do not retain or use the demographic data beyond helping clients with their return.
- If a client chooses **not** to file the form, no blank form submission is needed, just opt out.
- Clients should know this is voluntary and has no tax consequences
- Use clear, transparent communication about purpose and limitations

Use Cases and Policy Implications

- Legislators and analysts can use aggregated VSI data to:
 - Assess tax burdens and benefits across demographic groups
 - Evaluate whether proposed tax changes disproportionately impact certain populations
 - Inform administrative rules, budget allocations, and equity initiatives
- Over time, data might help in identifying systemic disparities or unintended outcomes in tax law

Summary

- OR-VSI is a new, voluntary self-identification process for Oregon taxpayers to report race/ethnicity
- Data is used in restricted, policy-oriented contexts.
- Participation is voluntary and confidential
- Tax professionals and software vendors have obligations around disclosure and data handling
- To support equity, encourage uptake, but ensure clear communication and strong privacy protections

Common questions

Can you choose to opt out for all your clients?

A: No, each client needs to be given the choice to fill out the form or opt out.

Do you need to ask your clients who don't live in Oregon if they want to participate?

A: Yes, any taxpayer filing an Oregon individual income tax return needs to be given the option to fill out the form or opt out.

Common questions - VSI

On the form OR-VSI there is no option to opt out of the filing this form. How would my client opt out?

A: For returns filed electronically, each taxpayer will have to make the choice (married filing joint taxpayers will each make their own choice) to voluntarily fill out the form or opt out of filing the form. If opting out, the form will not be transmitted to the department, and there's no record-keeping requirements about the choices made.

For returns filed on paper, the taxpayer may simply include the form if they choose to provide the race and ethnicity data.

Common questions - More

On the form OR-VSI there is no option to opt out of the filing this form. How would my client opt out? (Cont.)

If they opt out, there is nothing to document, either by the taxpayer or their tax preparer, and no (blank) form needs to be submitted.

Why should I provide this information?

A: Your participation can help the state of Oregon serve you and all Oregonians better. The more people who choose to share their race and ethnicity information, the more accurate the research and analysis of data will be.

Common questions - Received

Why should I provide this information? (Cont.)

Accurate research data—along with Census data—can show where inequities exist in current and future tax policy. Oregon leaders may consider and enact policies to mitigate inequities.



Questions

Chelse Leavitt

Phone: 503-378-4988 or 800-356-4222

Email: ORVoluntary.SelfID@DOR.oregon.gov



Statewide Transit Tax Rate

October 31, 2025

Robert Oakes, Operations and Policy Analyst

Statewide Transit Tax



- 2017 – Legislature Passed HB 2017
- Included new Statewide Transit Tax
- 2018 – Employers start withholding one-tenth of 1 percent or .001 percent of wages

Statewide Transit Tax - Details

- Not related to Lane County or TriMet payroll taxes
- Transit tax – employers are responsible for withholding, reporting and remitting.
- Penalties for not withholding or paying.
- Statewide Transportation Improvement Fund (except light rail)

Statewide Transit Routes

Statewide Public Transportation Network



Oregon Intercity Transit Network
FY 2023 - 2025



STIF Funded Routes



Statewide Transit Tax - History

- 2025 – Transportation package includes transit tax rate increase.
- Did not pass in Regular Session
- Reintroduced for Special Session – HB 3991

Statewide Transit Tax - Status

- Awaits Governor signature
- Increases the Statewide Transit Tax rate from one-tenth of 1 percent or .001 to two-tenths of 1 percent or .002
- Two-year increase - (2026 and 2027)

Statewide Transit Tax - Employers

Employers are still required to:

- Withhold from employee wages
- Report STT tax on the quarterly employer tax return (Form OQ)
- Remit STT payments)

Statewide Transit Tax - Questions

Questions?



One Big Beautiful Bill

Robert Oakes, OPA 3
PTAC Policy and Systems

H.R. 1 – One Big Beautiful Bill

- Signed into law July 4, 2025
- Made Tax Cuts and Jobs Act (TCJA) changes permanent
- Includes new TY 2025 provisions

H.R. 1 – One Big Beautiful Bill - Oregon

Impact on Oregon

- Automatic rolling reconnect
- Most changes apply to Oregon
- Exception: enhanced deduction for seniors

H.R. 1 One Big Beautiful Bill

SALT Deduction

- Temporary cap on state and local tax deduction made permanent
- 2025 limits: \$40,000 (\$20,000 MFS), with phaseout for AGI over \$500,000 (\$250,000 MFS)
- Limits increase annually until 2029, then revert to \$10,000 for 2030

H.R. 1 – One Big Beautiful Bill – New Items

New Below-the-Line Deductions for 2025

- Tips
- Overtime
- New car loan interest

H.R. 1 – One Big Beautiful Bill - Tips

Tips

- Deductible up to \$25,000
- Phase out begins at modified AGI of \$150,000 (\$300,000 joint filers)
- Occupation must be on IRS list

H.R. 1 – One Big Beautiful Bill - AGI

Overtime Compensation

- Can deduct the half in “time-and-a-half”, if overtime is federally mandated
- Limited to \$12,500 (\$25,000 on a joint return)
- Phase out begins at modified AGI of \$150,000 (\$300,000 joint filers)

H.R. 1 – One Big Beautiful Bill – Car Loans

New Car Loan Interest

- Final assembly of vehicle must occur within United States
- Limited to \$10,000
- Phase out begins at modified AGI of \$100,000 (\$200,000 joint filers)

H.R. 1 – One Big Beautiful Bill - Deductions

Schedule 1-A

- New federal schedule for additional deductions
- File with Oregon return if claiming deductions for Oregon

H.R. 1 – One Big Beautiful Bill – Oregon Rules

Oregon Rulemaking

- Adopting rules to clarify nonresident proration of new deductions
- New car loan interest will be prorated by Oregon percentage
- Overtime and tips will be limited by connection to Oregon sources

H.R. 1 – One Big Beautiful Bill - Example

Oregon Tips Example

Gary is a resident of Washington, but commutes to his restaurant server job in Portland. He made \$10,000 in tips during 2025 from his Portland employment. Because Gary's tips were earned in Oregon, he will claim a modification for the full \$10,000 on Schedule OR-ASC-NP when he files his nonresident Oregon return.

H.R. 1 – One Big Beautiful Bill - Examples

Non-Oregon Tips Example

Maria lives in California and works as a staff member at a hotel there. She also owns a property in Oregon. During 2025, Maria makes \$8,000 in tips from her hotel position. She also sells her property in Oregon for a profit. Because Maria's tips were earned in California, she will not claim a modification for those tips when she files her nonresident Oregon return.

H.R. 1 – One Big Beautiful Bill – DOR Rules

Rulemaking timeline

- October 14, 2025 - DOR Rules Advisory Committee
- December 1, 2025 – Public Hearing
- January 1, 2026 – Rules effective



Tax Credit Auction

Oregon Production Investment Fund



Auction Basics



- Proceeds go to the Oregon Production Investment Fund
- Held annually
- Bid on \$500 credit increments
- Minimum bid of \$450



Process



Online bid



Mail form & payment



Receive certificate or
returned payment



Do you have questions?

[Visit our Tax Credit Auction webpage](#)

Email: tax.creditauction@dor.oregon.gov



Oregon Payroll Basics

Chris Cox
Business Division

Agenda for today

- 01** Registering for payroll
- 02** How to set up payroll
- 03** Payroll taxes
- 04** Reports need to be filed and when
- 05** When taxes need to be paid



Registering for Oregon Payroll

At least one month before your first employee starts you will need to register for a business identification number (BIN).

Most payroll programs or providers require a BIN to pay and file for your business.

Business Identification Number (BIN) Registration Options

Submit BIN registration electronically (faster processing)

- Go to Revenue Online – In the Quick Links section click Register and apply. Then in the Registrations section click Register for payroll taxes or a BIN.

Submit BIN registration by hard copy (slower processing).

- Use [Combined Employer's Registration form](#)
 - Fax (fax number)
 - Mail (mailing address)
 - Submit in person (address)



How to Set up Payroll

The [Combined Employer's Registration](#) form sets you up for the following tax programs when applicable:

1. State Withholding Taxes
2. Lane Transit taxes (Eugene/Springfield)
3. Tri-County Metropolitan Transit taxes (Portland area)
4. Statewide Transit Tax.
5. Paid Leave Oregon
6. Unemployment Insurance tax
7. Worker's Benefit Fund Assessment

Form OR-CER

Page 1 of 2, 150-211-055
(Rev. 04-17-23, ver. 01)

Oregon Combined Employer's Registration



Submit original form—do not submit photocopy

You can also register online through Revenue Online (ROL) revenueonline.dor.oregon.gov. See publication 150-211-055-1 for instructions.

Part A—Organization information

Legal business name as registered with IRS and Oregon Secretary of State (SOS)	Federal employer identification number (FEIN)	Phone
Doing business as (DBA)	Email	

Type of ownership (check only one)

<input type="checkbox"/> Corporation	<input type="checkbox"/> Sub-chapter S Corporation	<input type="checkbox"/> Sole proprietorship (individual)	<input type="checkbox"/> LLP (Limited liability partnership)
<input type="checkbox"/> Partnership-general	<input type="checkbox"/> Partnership-limited	<input type="checkbox"/> Non-profit 501(c)(3) (attach federal exemption)	<input type="checkbox"/> Other nonprofit
<input type="checkbox"/> LLC-Corporation	<input type="checkbox"/> LLC-S Corporation	<input type="checkbox"/> LLC-Partnership	<input type="checkbox"/> LLC-Disregarded entity
<input type="checkbox"/> Recognized Indian Tribe	<input type="checkbox"/> Other tax entity:		

Business mailing address	City	State	ZIP code
Business physical address	City	State	ZIP code

<input type="checkbox"/> Check box if physical address is an employee home address	North American Industry Classification System (NAICS) code
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Part B—Owner, officer, partner information

List all owners, officers, partners, or parent company. Use additional sheets if necessary. *Must be filled in as required by OAR 150-305-0010.

1. Name/responsible party	*Social Security number (SSN) OR Federal employer identification number (FEIN)
Address	City State ZIP code

Responsible for:

<input type="checkbox"/> Filing tax returns	<input type="checkbox"/> Paying taxes	<input type="checkbox"/> Hiring/firing	<input type="checkbox"/> Determining which creditors to pay first
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2. Name/responsible party	*Social Security number (SSN) OR Federal employer identification number (FEIN)
Address	City State ZIP code

Responsible for:

<input type="checkbox"/> Filing tax returns	<input type="checkbox"/> Paying taxes	<input type="checkbox"/> Hiring/firing	<input type="checkbox"/> Determining which creditors to pay first
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Part C—Payroll information

Withholding/statewide transit tax

Check if any employees are:

<input type="checkbox"/> Courtesy withholding	<input type="checkbox"/> Agricultural	<input type="checkbox"/> Working on fishing vessel	<input type="checkbox"/> Domestic (in-home worker)
---	---------------------------------------	--	--

Does any domestic worker request withholding? ☐ Yes ☐ No

Common Bin Registration Errors

- Giving the wrong federal employer identification number (FEIN)—
(has impacts on registering on Revenue Online and Frances Online)
- Revenue Online user issues(wrong access)
- Wrong name and ownership type
- Social Security number related errors(missing or incorrect)

Common Bin Registration Continued

- Limited liability company (LLC) at the Oregon Secretary of State conflicts with registration.
- Missing registration at Oregon Secretary of State (or inactive)

Common Bin Registration Errors Final

- Giving the wrong FEIN (not very common but it will impact registering on Revenue Online and Frances Online)
- Not providing the business address and/or the location address where the work is being done (we are given a virtual address or a registered agents address)



Payroll Taxes

- [Oregon Withholding Tax](#)
- [Statewide Transit Tax](#)
- [TriMet Transit District Tax](#)
- [Lane Transit District Tax](#)
- [Oregon Unemployment Insurance](#)
- [Paid Leave Oregon](#)
- [Workers Benefit Fund](#)

Who is Subject to Oregon Withholding?



Oregon residents are subject to Oregon withholding on all wages earned no matter where the work is done.



Non-residents are subject to Oregon withholding on work done within the state. The person must physically be in the state.

Oregon Withholding Tax

When you hire an employee(s), they will need to complete a OR-W-4
The only time a W-4 needs to be updated is if the employee needs to change things like their address, name, allowances, status, and exempt status.

Oregon withholding tax formulas and tax tables for 2025 can be found at [Oregon.gov/dor](https://oregon.gov/dor), “Go to “I would like to...” section, [Find a form](#), then search for:

150-206-430 for the [tables](#)

150-206-436 for the [formulas](#)

Statewide Transit Tax

There is an employee paid payroll tax at 0.1 percent. (0.2 percent starting January 1, 2026)

- Wages of Oregon residents (regardless of where the work is performed).
- Wages of nonresidents who perform services in Oregon.
- Periodic payments made under [ORS 316.189](#), not including retirement income paid to nonresidents from an Oregon source.



Statewide Transit Tax Cont.

- The Statewide Transit Tax is calculated based on the employee's wages after pre-taxed deductions.
- Employees who are not subject to regular income tax withholding due to high exemptions, wages below the threshold for income tax withholding, or other factors are subject to Statewide Transit Tax withholding.
- The definition of "wages" excludes amounts paid to certain types of employees and independent contractors ([ORS 316.162](#)).
- Self-employment income isn't subject to this tax.

Common STT Errors

- The tax is either far below or above the expected 0.1 percent based on the subject wages reported. (We do take rounding into count.)
Example: For subject wages of \$100,000, the tax would be close to \$100. So, \$99.67 could be due to rounding but if the tax was \$75 that would indicate a possible issue.
- Not withholding and reporting STT (mainly seen from out of state business) or not doing it correctly.

TriMet/Lane Transit District Taxes (TM/LTD)

These two transit taxes are an employer tax paid on wages earned for services performed in either the Tri-County Metropolitan Transportation District or the Eugene/Springfield area.

- Find the Tri met interactive map at <http://mobilitymap.trimet.org/>.
- Find Lane Transit information at <https://www.ltd.org/payroll-self-employment-tax-information/>.

TriMet/Lane Transit District Tax Exemption

The following are exempt from transit payroll taxes:

1. Federal credit unions
2. Public school districts
3. 501(c)(3) nonprofit and tax-exempt institutions (except hospitals)
4. Insurance companies (except domestic insurers)
5. Domestic service in a private home

Lane Transit District Tax Exemption

The following are exempt from LTD, but subject to TriMet taxes:

- 1.Public education districts
- 2.Public special service and utility districts
- 3.Port authorities
- 4.Fire districts
- 5.City, county, and other local governments

For more definitions of exempt payroll for payroll taxes, refer to the [Oregon Employer's Guide](#)

Common TM/LTD Errors

- Not knowing where the employees are working at so TM/LTD is not properly being reported. This could be an employer with a remote worker(s) who works from home, and they are inside one of the areas. A company that has employees who work at various locations (example plumbing company out of Woodburn but does work in the Portland(TM) Area.
- Reporting 100% of the wages for both the TM and LTD area. When the work might not be done in any of the areas or might be done in just one (You can't work 100% of the time in 2 areas)
- Reporting the Tax when exempt (Example we see is 501c(3)'s)

Oregon Unemployment Insurance(UI)

Current Tax and Contribution Rates

Contact: Contributions and Recovery division | Phone: 503-947-1488 | Fax: 503-947-1700
875 Union St. NE | Salem, OR 97311 | Available 9:00 a.m. - 4:00 p.m. Monday through Friday
Email: oad.contributions.and.recovery.division@employ.oregon.gov | TTY: 7-1-1 | Internet Relay: [Sprint Relay](#)



2026 Tax Rates coming November 15, 2025

The tax rates for Tax Schedule III are as follows:

Taxable minimum rate:	0.0%
Taxable maximum rate:	0.0%
Taxable base tax rate:	0.0% (new employer rate)
Special payroll tax offset:	0.00% (0.00) for 1st quarter
	0.00% (0.00) for 2nd quarter
	0.00% (0.00) for 3rd quarter
	0.00% (0.00) for 4th quarter

The taxable wage base for 2026 is \$00,000

2025 Tax Rates

The tax rates for Tax Schedule III are as follows:

Taxable minimum rate:	0.9%
Taxable maximum rate:	5.4%
Taxable base tax rate:	2.4% (new employer rate)
Special payroll tax offset:	0.139% (0.00139) for 1st quarter
	0.109% (0.00109) for 2nd quarter
	0.109% (0.00109) for 3rd quarter
	0.109% (0.00109) for 4th quarter

The taxable wage base for 2025 is \$54,300

More information can be found at www.oregon.gov/employ/Businesses.

Businesses with payroll accounts will get a letter in November with their UI and Paid Leave Rate for the following year.

Common UI Errors

- Using the wrong tax rate is a common error is with quarter 1 each year. They should check their tax rate notice and make sure their quarter 1 report has correct rate.
- Reporting LLC member wages in error when LLC members do not intend to opt into unemployment (OAR 471-031-0301 auto opts them in if they report wages and pay the UI tax).



Paid Leave Oregon(PLO)

When did Paid Leave start?

- On **January 1, 2023**, employees and employers began paying into the new program.
- On **September 3, 2023**, employees could have started applying for benefits.

Paid Leave Oregon Cont.

How is Paid Leave Oregon paid for?

- All employees pay into and benefit from. Employees and their employers share the payments.
- Employees pay 60 percent of the contribution, while employers with 25 or more employees pay 40 percent of the contribution rate.
- The contribution rate for 2025 is 1 percent.
- Generally, wages reported for Paid Leave will be the same as those reported for Unemployment Insurance

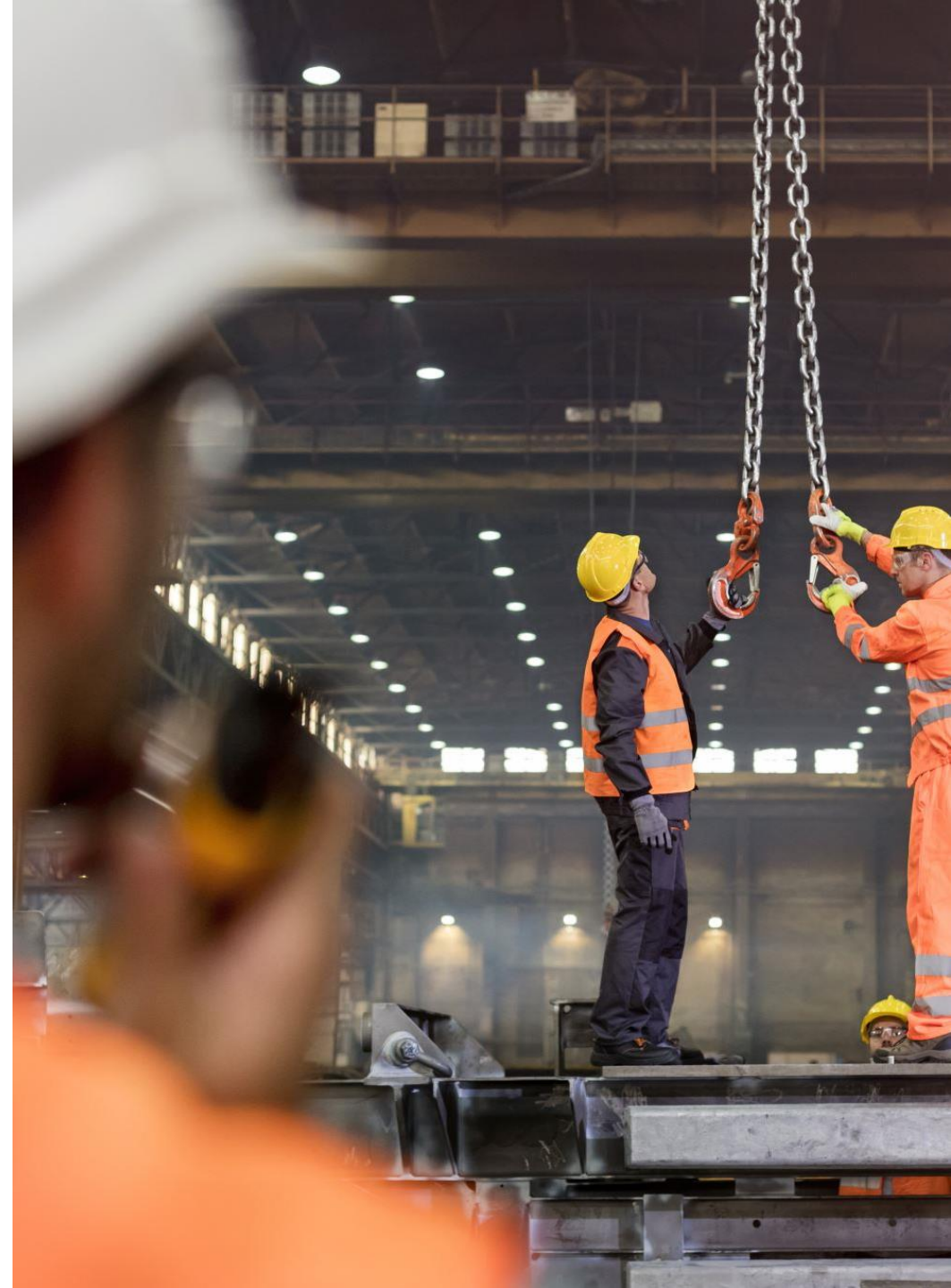
More information can be found at paidleave.oregon.gov or by calling OED Contributions and Recovery at 503-947-1488.

Common Paid Leave Errors

- Reporting wrong Paid leave employer size. Employer sets first quarter each year and then remains same rest of that year- based on total number of employees in prior year (not just Oregon employees).
- Failing to report Paid Leave wages when an employer has a paid leave equivalent plan-wages need to be reported every quarter. Frequently see zero wages reported in error for Paid Leave and only UI reported.
- LLC entities that file federal taxes as an S corporation that have not opted into UI or corporations with approved UI corporate officer exclusions, failing to report wages for Paid Leave.
- In general UI and Paid Leave subject wages should match.

Workers Benefit Fund

- In 2025, this assessment is 2 cents per hour worked. Employers and employees split the cost.
- In 2026, the rate will be lowered to 1.8 cents per hour worked. Employers and employees split the cost
- Employers report and pay the WBF assessment directly to the state with other state payroll taxes.
- More information can be found at the [workers benefit funds website](#).



Oregon Payroll Reports

- Oregon Quarterly(OQ) is filed Quarterly for Payroll
- [Sign up for Frances Online](#)
- The OQ can be filed electronically through [Frances Online](#)
- Form OA Domestic is filed yearly through Frances Online. (This replaces the OQ for these type of Businesses)(For what is a Domestic Filer please see [UI PUB 207](#)).

Oregon Quarterly Due Dates

Quarterly reporting due dates. Due dates are the same for your Oregon report as for the federal quarterly return (federal Form 941). If the due date falls on a weekend or a holiday, you may file by the following day that is not a weekend or holiday.

Quarter	Period Ending	Return Due Date
1 st Jan-Feb-Mar	March 31	April 30
2 nd Apr-May-Jun	June 30	July 31
3 rd Jul-Aug-Sep	Sept. 30	Oct. 31
4 th Oct-Nov-Dec	Dec. 31	Jan. 31

Oregon Quarterly Due Dates Cont.

If you have a quarter with no payroll for a specific period:

Reporting zero payroll for your Oregon quarterly report can still be done via Frances Online, or you can call the automated system at 503-378-3981. When entering your BIN, it should be nine digits long for example 01234567-8.

Common Zero Filing Errors

- If a business files five quarters in row with no payroll, the Oregon Employment Department will put their contribution account inactive and send a letter causing the employer/payroll company to think the payroll account is closed. That is incorrect because the payroll is still active at the Department of Revenue. Therefore returns must keep being filed until a Business Change in Status Form is filed to close payroll.

Yearly Payroll Tax Reports

There are two yearly reports that employers must file both on Revenue Online:

- The Oregon Annual Withholding Reconciliation Report [Form WR](#) (Videos on how to file Form WR and I-Wire can be found at [Oregon.gov/dor](https://oregon.gov/dor) under the Business section in the payroll withholding page) (due January 31 after the end of Q4)
- Information returns (W2's & 1099's)
 - W2s and 1099s are filed through DOR's [iWIRE](#).

Common Form WR/iWire Errors

- Not filling out the STT information on the iWire Report for the W-2s
- Not providing the W-2 totals for WH and/or STT on the Form WR
- Not completing the Form WR or iWire thinking it was done not realizing that there are two reports to complete.

When Payments Are Due

- Deposits made for state withholding tax may be due on one of four different schedules.
- Oregon follows suit with the federal schedules. Please see the chart on the next slide to identify which schedule your state withholding deposits should be made. Please keep in mind this is only required for the state withholding tax.
- All other programs such as transit taxes, state unemployment, paid leave, and workers benefits can be made on a quarterly deposit schedule, if you choose.

Payment Schedule

Payment Due Dates

Due dates for paying Oregon withholding tax are the same as due dates for depositing your federal tax liability. New employers must deposit monthly until they have a lookback period.*

GUIDELINES FOR OREGON WITHHOLDING PAYMENT DUE DATES

If your total federal tax liability is:

Oregon withholding tax payments due:

- | | | |
|--|---|--|
| • Less than \$2,500 for the quarter | ➔ | within 30 days after the end of the quarter |
| • \$50,000 or less in the lookback period* | ➔ | by the 15 th of the month following payroll |
| • More than \$50,000 in the lookback period* | ➔ | Semiweekly Deposit Schedule |

If the day falls on a:.....Then pay taxes by:

Wednesday, Thursday,
and/or Fridaythe following Wednesday

Saturday, Sunday,
Monday, and/or Tuesdaythe following Friday

- | | | |
|-------------------------------------|---|------------------------|
| • \$100,000 in a single pay period* | ➔ | within one banking day |
|-------------------------------------|---|------------------------|

*The lookback period is the 12-month period that ended the preceding June 30. The lookback period for agricultural employers is the calendar year prior to the year just ended.

How to Pay Oregon Payroll Taxes

- Mailing in a payment? Please use the paper OTC Coupon which can be found at [Oregon.gov/dor](https://oregon.gov/dor), “ I would like to...” section, [Find a form](#), then search for 150-211-053 for the [OTC](#)
- Electronic payments can be made on [Revenue Online](#) by having an account.

Common Payroll Payment Errors

- Wanting to pay STT but putting the money in the TriMet/Lane Transit District section.
- Wanting to pay state withholding but putting it in the Unemployment section or visa versa.
- Paying TriMet/Lane Transit District taxes when in fact the business had no employees working in either area. (Bigger issue because it is probably being reported on the OQ, again this is caused by not understanding the TriMet/Lane Transit District taxes)

Common Payroll Payment Errors Continued

- Making the payment to the wrong quarter. We see this at the end of one quarter/start of the next. Example: October payment made to quarter 3 when in fact it was meant for quarter 4 or visa versa.
- Not using the “Make OTC payment” when logged into Revenue Online account, causing the payment to apply just to one DOR program.

Forms and Publications

Department of Revenue forms and publications can be found at [DOR Tax Forms and Reports](#)

Examples: OTC-V, Auth-Info, Auth-Rep, and Business Change in Status Form and more.

Oregon Employment Department forms and publications can be found at [OED Tax Forms and Reports](#)

Examples: Papers forms for OQ, 132, Schedule B and the Amended Versions, Tax Authorization Representative, Multi-State Employment and more

Penalties

- Each program can have their own penalty and interest. This is caused by not paying and/or not filing on time. The penalties listed are for DOR programs. For more information on penalties for OED or DCBS programs please see the 2025 Oregon Combined Payroll Tax Report on pages 10 and 11.
- 5 percent for paying late
- 20 percent for filing late
- 50 percent if we file the return for you
- 100 percent not filing 3 years in a row

Not filing the Form WR on time has a \$200 penalty.

Not filing W-2s/1099s through iWire can carry a penalty up to \$25,000.

Tips

Keep your accounts up to date.

- Make sure you always update any agency with your most current address. If you close the business, please make sure the address is updated to a current address.
- Have the most current owner information. This is important because only owners can do and approve certain changes.
- Make sure you have a Form OR Auth-Rep or Form OR Auth-Info for anyone that will need to contact DOR and OED correct form.
- Respond to any communication from the Department of Revenue, Oregon Employment Department, and the Department of Consumer and Business Services. Call if you have any questions about the letter you received.

Business Change in Status

- Used for most changes that the department needs to be informed of:
 - New Owners/Officers
 - EIN
 - Closed/sold
 - Changing entity
 - No more Payroll
 - Leasing employees
 - Now working or no longer working in a transit district.

Oregon Combined Payroll Tax Business Change in Status Form		To update business status and employment information Attach additional sheets if needed.
Business name	BIN (Oregon business identification number)	Owner/Officer updates: To update owner/officer information, attach a complete list of current owners/officers including position, social security number (SSN), home address, and phone.
Other names (ASB/DBA)	FEIN (federal employer identification number)	
General updates (check all that apply)		
<input type="checkbox"/> Update/Change FEIN to:	<input type="checkbox"/> Update/Change business name to:	<input type="checkbox"/> Now doing business in TriMet/Lane Transit District as of:
Closing account (check all that apply)		
<input type="checkbox"/> Closed pension/annuity account as of:		<input type="checkbox"/> No longer doing business in TriMet/Lane Transit District as of:
<input type="checkbox"/> All or <input type="checkbox"/> Part of the business was <input type="checkbox"/> Closed <input type="checkbox"/> No longer doing business in Oregon <input type="checkbox"/> Sold <input type="checkbox"/> Leased <input type="checkbox"/> Transferred		
Was business operating at the time it was sold, leased or transferred? <input type="checkbox"/> Yes <input type="checkbox"/> No Effective date:		
How many employees were transferred?		Date of final payroll:
Describe what was transferred		
New business name		
New owner's name		New owner's phone
New owner's address		City State ZIP code
Where are the records of the terminated business? (include contact name, phone, address, city, state, ZIP code)		
Changing entity (check all that apply)		
Effective date: <small>Note: A new Combined Employer's Registration form, 150-211-055, is required when there is an entity change.</small>		
Change from:	<input type="checkbox"/> Corporation—"C" <input type="checkbox"/> Corporation—Subchapter "S" <input type="checkbox"/> LLP (Limited Liability Partnership)	LLC (Limited Liability Company) Recognized by IRS as:
	<input type="checkbox"/> Individual (Sole Proprietor)	<input type="checkbox"/> Corporation <input type="checkbox"/> Sole Proprietor/Single Member <input type="checkbox"/> Partnership
Change to:	<input type="checkbox"/> Corporation—"C" <input type="checkbox"/> Corporation—Subchapter "S" <input type="checkbox"/> LLP (Limited Liability Partnership)	LLC (Limited Liability Company) Recognized by IRS as:
	<input type="checkbox"/> Individual (Sole Proprietor)	<input type="checkbox"/> Corporation <input type="checkbox"/> Sole Proprietor/Single Member <input type="checkbox"/> Partnership
	<input type="checkbox"/> Partnership—General <input type="checkbox"/> Partnership—Limited	
Employment status updates (check all that apply)		
<input type="checkbox"/> Still in business, but have no paid employees (corporate officers are still subject to payroll taxes). Effective date:		
<input type="checkbox"/> Only have workers' compensation insurance to cover owners, officers or members. <input type="checkbox"/> Only LLC members or officers <input type="checkbox"/> Only using independent contractors		
<input type="checkbox"/> Employing Oregon residents in another state. State: <input type="checkbox"/> Now working in Oregon. Effective date:		
Using leased employees		
Name of leasing company	Worker leasing company license number	Date employees leased
Address	City	State ZIP code
Leasing company contact name	Phone	
Number of leased employees:	Number of non-leased employees:	Leasing corporate officers/owners? <input type="checkbox"/> Yes <input type="checkbox"/> No
Submitted by		
Print name	Title	
Signature	Date	Phone
Fax to: 503-947-1700 or mail to: Employment Department, 875 Union St NE Rm 107, Salem OR 97311-0030		

150-211-150 (Rev. 12-10)

Common Business Change in Status Errors


- Not putting a date for final payroll and/or effective date.
- Not completing an Oregon Combined Payroll Tax Business Change in Status Form in a timely manner.

DOR Authorization to Represent

- Used for authorizing DOR to disclose information to someone other than an owner/officer.
- Can be used to authorize someone to make changes to the account on behalf of an owner/officer.

10/30/2025

[Clear form](#)



Form OR-AUTH-REP
Authorization to Represent

Use this form to authorize the Oregon Department of Revenue to disclose your confidential tax information to the authorized representative you identify below and to allow that representative to make decisions on your behalf. The person you authorize must meet the qualifications listed in the instructions. If a tax matter concerns a year for which a joint return was filed, see additional instructions on Form OR-AUTH-REP Instructions.

- Print clearly. Use black or blue ink.
- This form will be rejected if it isn't signed by both you and your authorized representative, is incomplete, or has unreadable information.
- This form is invalid if modified or appended.
- See additional instructions on Form OR-AUTH-REP Instructions.
- Submit your completed form through your Revenue Online account at revenueonline.dor.oregon.gov, or by email to questions.dor@dor.oregon.gov, or by mail to Oregon Department of Revenue, 955 Center St. NE, Salem, OR 97301-2555.

Part 1—Taxpayer information (Individual or Business entity)

Taxpayer name		Phone number ()	
Business name			
Business owner/Officer name (Required if taxpayer is a business entity.)			
Social Security number (SSN) (Last 4)		Individual taxpayer identification number (ITIN) (Last 4)	
Business identification number (BIN)		Federal employer identification number (FEIN)	
Address	City	State	ZIP code

Part 2—Authorization to represent, Representative's attestation and signature

I authorize the Department of Revenue to share my confidential tax information to the authorized representative named below. I authorize my representative to make decisions on my behalf. The authorized representative must meet the qualifications to represent me before the Oregon Department of Revenue. My authorized representative will represent me for **all** tax years and **all** tax programs unless the authorization is limited in Part 3.

Representative name		Phone number ()	
Firm, organization, or agency name			
Title (if applicable)		Email	
Address	City	State	ZIP code
Relationship		CPA, State Bar Number, or Oregon License Number (LTR, LTC, Agent)	
Signature of representative—By signing below as an authorized representative, I attest that I meet the qualifications to represent under Oregon law.			Date
X			

Part 3—Authorization limitations

I limit the access and representation of my authorized representative to particular tax years or particular tax programs or both as follows:

Tax year(s): _____

Tax program(s): _____

Part 4—Revocation of prior authorizations

Prior authorizations to represent remain in effect until revoked in writing. If you wish to revoke previous authorizations to represent, initial here _____.

Part 5—Taxpayer declaration and signature

Your signature below acknowledges that your representative may receive your confidential tax information and that actions taken by your authorized representative are binding on you, even if an authorized representative isn't an attorney. Proceedings can't later be declared legally defective because your authorized representative was not an attorney. Corporate officers, partners, fiduciaries, or other qualified persons signing on behalf of the taxpayer: Under penalties for false swearing, I also certify and declare that I have the authority to execute this form.

Signature	Date
X	
Name	

150-101-101 (Rev. 10-29-24)Page 1 of 1Form OR-AUTH-REP

DOR Authorization to Receive Tax Information

- Used for authorizing DOR to disclose information to someone other than an owner/officer.

10/30/2025

Clear form



Form OR-AUTH-INFO Authorization to Receive Tax Information

Use this form to authorize the Oregon Department of Revenue to disclose your confidential tax information to your designee. If a tax matter concerns a year for which a joint return was filed, see additional instructions on Form OR-AUTH-INFO Instructions.

- Print clearly. Use black or blue ink.
- This form will be rejected if it isn't signed by you, is incomplete, or has unreadable information.
- This form is invalid if modified or appended.
- See additional instructions on Form OR-AUTH-INFO Instructions.
- Submit your completed form through your Revenue Online account at revenueonline.dor.oregon.gov, or by email to questions.dor@dor.oregon.gov, or by mail to Oregon Department of Revenue, 955 Center St. NE, Salem, OR 97301-2555.

Part 1—Taxpayer information (Individual or Business entity)

Taxpayer name		Phone number ()	
Business name			
Business owner/officer name (Required if taxpayer is a business entity.)			
Social Security number (SSN) (Last 4)		Individual taxpayer identification number (ITIN) (Last 4)	
Business identification number (BIN)		Federal employer identification number (FEIN)	
Address		City	State ZIP code

Part 2—Authorization to receive tax information

I authorize the Department of Revenue to share my confidential tax information with the designee (person, firm, organization, or agency) named below. I authorize my designee access to **all** tax years and **all** tax programs unless the authorization is limited in Part 3.

Designee name		Phone number ()	
Firm, organization, or agency name			
Title (if applicable)		Email	
Address		City	State ZIP code
Relationship			

Part 3—Authorization limitations

I limit the access of my authorized designee to particular tax years or particular tax programs or both as follows:

Tax year(s):	
Tax program(s):	

Part 4—Revocation of prior authorizations

Prior authorizations to receive tax information remain in effect until revoked in writing. If you wish to revoke previous authorizations to receive tax information, initial here .

Part 5—Taxpayer declaration and signature

Your signature below acknowledges that your designee may receive your confidential tax information. Corporate officers, partners, fiduciaries, or other qualified persons signing on behalf of the taxpayer: Under penalties for false swearing, I also certify and declare that I have the authority to execute this form.

Signature X	Date
Name	

OED Tax Authorization Representative

- Used for authorizing OED to disclose information to someone other than an owner/officer.

Oregon Employment Department Tax Authorization Representative			
This form allows the Employment Department to disclose your company's confidential tax information to your designee. You may designate a person, agency, firm or organization.			
Owner Name/Title:	Telephone Number: ()	Fax Number: ()	
Company Name:		BIN:	
Mailing Address:	City:	State:	Zip Code:
The below named is authorized to receive my company's confidential tax information and/or discuss tax matters pertaining to my account before the Oregon Employment Department for:			
<input type="checkbox"/> All tax years, or <input type="checkbox"/> Specific tax years: _____, _____, _____, _____, _____, <input type="checkbox"/> All tax matters, or <input type="checkbox"/> Specific tax matters: _____ _____			
I hereby appoint the following person as designee or authorized representative:			
Authorization Representative name:	Telephone Number: ()	Fax Number: ()	
Title:	Company name:		
Mailing Address:	City:	State:	Zip Code:
Note:			
This authorization form is active until revoked and automatically revokes and replaces all earlier tax authorizations on file with the Oregon Employment Department for the same tax matters and years or periods covered by this form. This information will not be disclosed externally.			
This authorization must be signed or it will be returned.			
Owner Signature:		Date:	
<small>WorkSource Oregon Employment Department is an equal opportunity employer/program. Auxiliary aids and services, alternate formats and language services are available to individuals with disabilities and limited English proficiency free of cost upon request. WorkSource Oregon Departamento de Empleo es un programa que respeta la igualdad de oportunidades. Disponemos de servicios o ayudas auxiliares, formatos alternos y asistencia de idiomas para personas con discapacidades o conocimiento limitado del inglés, a pedido y sin costo.</small>			



Business Contact Change

Used for updating any necessary contact information

- Mailing address
- Physical Location
- Offsite Payroll, bookkeeper, accountant

Clear This Page

Oregon Combined Payroll Tax Business Contact Change Form

To update contact and address information
Current information will ensure that you receive tax forms and other important information.

Form available electronically at: <https://secure.sos.state.or.us/ABNWeb>

Business name	GIN (Oregon business identification number)		
Other names (ABN/DBA)	FEIN (Federal employer identification number)		

Update mailing address
(attach additional sheet if necessary)

Check all that apply: ☐ Billings ☐ Business mail ☐ Payroll tax forms

Address

City State Zip

Telephone () - Extension Cell () - Extension Fax () - Extension

E-mail ☐ Check here to authorize us to initiate e-mail exchange of tax information ☐ Revoke all prior e-mail addresses

Update physical locations
(attach additional sheet if necessary)

#1 <input type="checkbox"/> Add location <input type="checkbox"/> Delete location	#2 <input type="checkbox"/> Add location <input type="checkbox"/> Delete location
Reason	Reason
Street address	Street address
City State Zip	City State Zip
<input type="checkbox"/> Is this an employee's home address?	<input type="checkbox"/> Is this an employee's home address?

Update offsite payroll services, accountants or bookkeepers
(attach a Power of Attorney for Authorized Representative)

Name of service, accountant or bookkeeper	Effective date
Contact	Telephone () - Extension
Address	
City State Zip	
Fax () -	E-mail

Submitted by:

Print name	Title	Telephone () -
Signature		Date

Fax to: 503-947-1700
Or mail to: Employment Department, 875 Union St NE Rm 107, Salem OR 97311-0030

150-211-159 (Rev. 12-12)

Learn More about Oregon Payroll

- [The Oregon Employer Guide from the Oregon Secretary of State](#)
- [The Oregon Combined Payroll Tax Report for 2025](#)



Questions?

Chris Cox

Outreach Coordinator

Phone: 503-509-5188

Email: chris.cox@dor.oregon.gov

DOR Payroll and Withholding

Phone: 503-945-8100

Contact Us

To reach our dedicated practitioner specialist:

- Email: prac.revenue@dor.oregon.gov
- Phone: 503-947-3541

Questions - DOR



Do you have questions or need help?

[Visit our website](#)

Phone: 503-378-4988 or 800-356-4222

Email: questions.dor@dor.oregon.gov

If you need ADA accommodations or assistance in other languages, please visit our [Accessibility webpage](#) and fill out the form to make a request.