



DOR Tax Professional Liaison Meeting

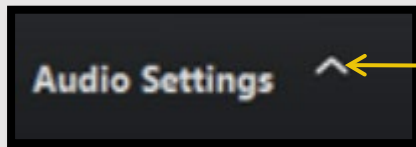
July 26, 2024

Hosted by:

Daron Prara, Policy Analyst

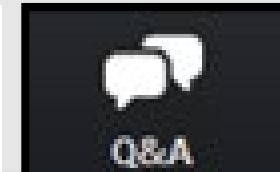
How to participate

Your camera and microphone will **not** be on.

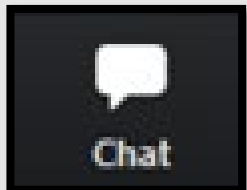
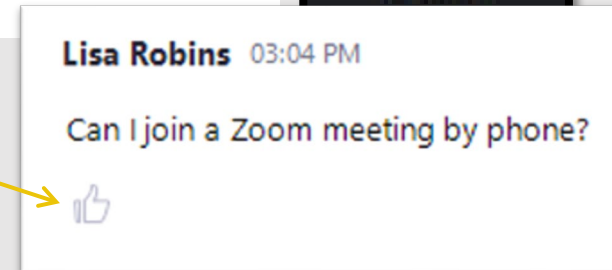


Click the carat to adjust the sound.

Use Q&A to ask questions for presenter to answer.



Click thumb to upvote questions.



Use chat function to communicate with other attendees.

Presenters



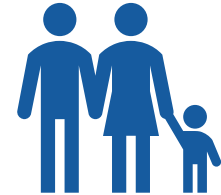
Oregon Treasury

Renzo Mezas



Internal Controls
Office

Amanda Stenson



Personal Income Tax

Roy Suarez

Favi Morales

Robert Oakes

Nicole Jones



Voluntary Self-Identification

Tax Professional Liaison Meeting

Friday, July 26, 2024

Roy Suarez: Project Manager

Agenda

- 1 VSI overview
- 2 VSI purpose
- 3 How will data be collected/used
- 4 Next steps
- 5 Form OR-VSI
- 6 How can our partners (you) help

Voluntary Self-Identification (VSI) overview



New form created to collect VSI information



Will start with 2024 returns



Oregon is the first state to ask for this information with the tax return

VSI purpose

- To help determine the impact of state tax policies on all Oregonians
- Voluntary participation will give Oregon taxpayers and Oregonians a choice to be included
- The form mirrors race and ethnicity options in the Oregon Health Authority's (OHA) "REALD" program



How will data be collected/used?



- Taxpayers will have the option to file the form with their return
- People without a return filing requirement will have option to file the form on ROL
- The bill has strict requirements for storing and using the data
- Safeguards to separate and store race and ethnicity information; only limited authorized staff will have

How will data be collected/used? (cont.)



- Limited use of data: tax policy analysis by DOR's Research Section, the Legislative Revenue Office, and the Department of Administrative Service's Office of Economic Analysis
- Starting in September 2024, DOR will report annually to the Legislature

Next steps



- Ensure participation in program is simple
- We are finalizing the form and instructions
- We have [created a webpage](#) with information about SB 1 and an email address: ORVoluntary.SelfID@DOR.oregon.gov
- We are meeting with partners and doing public outreach throughout the year and next tax filing season

2024 Form OR-VSI
Voluntary Self-identification

Oregon Department of Revenue

Page 1 of 1 • Use UPPERCASE letters. • Use blue or black ink. • Print actual size (100%). • Don't submit photocopies or use staples.

Include this form when you file your Oregon return. If you don't have to file an Oregon return but would like to provide this information, go to Revenue Online at www.oregon.gov/dor.

This form is used to gather data about the race and ethnicity of Oregon taxpayers. This data will help us work toward fairness and equity in our personal income tax system. It can't be used for any other purpose. Completing this form is voluntary. See Form OR-VSI instructions for more information.

☐ If your filing status is married filing jointly, check this box if your name is listed second on your return.
Include a separate form for each spouse.

Enter the first four letters of your last name:

Instructions. Using the codes shown in the table, enter your primary race or ethnicity in box 1, and up to two additional races or ethnicities in boxes 2 and 3.

Note: If you don't have a primary racial or ethnic identity, mark the box under line 1 and enter up to three codes from the table.

1. Primary race or ethnicity 2. Additional race or ethnicity 3. Additional race or ethnicity

☐ I don't have a primary race or ethnic identity.

Hispanic or Latino/a/x Central American 101 Mexican 102 South American 103 Other Hispanic or Latino/a/x 199	American Indian or Alaska Native American Indian 201 Alaska Native 202 Canadian Inuit, Métis, or First Nation 203 Indigenous Mexican, Central American, or South American 204	Asian Asian Indian 301 Cambodian 302 Chinese 303 Communities of Myanmar 304 Filipino/a 305 Hmong 306 Japanese 307 Korean 308 Laotian 309 South Asian 310 Vietnamese 311 Other Asian 399
Native Hawaiian or Pacific Islander Chamoru (Chamorro) 401 Marshallese 402 Communities of the Micronesian Region 403 Native Hawaiian 404 Samoan 405 Other Pacific Islander 499	Black or African American African American 501 Afro-Caribbean 502 Ethiopian 503 Somali 504 Other African (Black) 505 Other Black 599	
White Eastern European 601 Slavic 602 Western European 603 Other White 699	Middle Eastern/Northern African Middle Eastern 701 Northern African 702	Other Other 899 Don't know 999

Include this form when you file your Oregon income tax return.

Form OR-VSI

How can our partners (you) help?

- Get informed about the program
- Inform your clients of this form and DOR's website for more information
- Respect your client's choice to fill out the form or opt out of the form and provide privacy as needed
- Ensure your clients understand that the law prohibits you from using the information on the form
- We'd like to hear any concerns you might have with the project, form, etc.
- Webpage review/feedback: Voluntary Self-Identification of Race and Ethnicity (<https://www.oregon.gov/dor/programs/individuals/Pages/self-identification.aspx>)



Questions?

Roy Suarez

roy.suarez@dor.oregon.gov

orvoluntary.selfid@dor.oregon.gov



New Tax Authorization Forms Update

July 26, 2024

Amanda Stenson

Internal Controls Office

New Tax Authorization Forms Update



OR-AUTH REP



OR-AUTH-REP Instructions



OR-AUTH-INFO



OR-AUTH-INFO Instructions

New DOR Tax Authorization Forms Update



Each form will be for a single taxpayer or business.



The same person can represent both spouses/partners/businesses.



Any authorized representative must sign the form attesting they meet the qualifications for the form to be valid.



Form must be filled out completely with signatures to be accepted.

New DOR Tax Authorization Forms Update

Form OR-AUTH-REP preview



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 will 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. A separate Form OR-AUTH-REP must be completed for each taxpayer.

- Print clearly. Use black or blue ink.
- This form may be rejected if it isn't signed, is incomplete, or has unreadable information.
- This form is invalid if modified or appended.
- See addition 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 information and signature

I hereby authorize the Department of Revenue to disclose my confidential tax information to the authorized representative named below. I authorize my representative to make decisions on my behalf. My 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 (LTP, LTC, Agent)	
Signature of Representative—By signing below, I attest that I meet the qualifications to represent under Oregon law.		Date	

Part 3—Authorization limitation

I limit the access of 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. If signed by a corporate officer, partner, fiduciary, or other qualified person signing on behalf of the taxpayer, your signature certifies you have the authority to execute this form. Under penalties for false swearing, I declare that I have examined this document and to the best of my knowledge and belief, it's true, correct, and complete.

Signature	Date
X	
Name	



Questions?

Amanda Stenson



oregonsaves®



- ❖ A **retirement savings program** created to increase Oregonian's access to retirement savings in the workplace
- ❖ OregonSaves was launched to address the nationwide retirement savings crisis
 - ~25% of Americans have no retirement savings at all.
 - Workers are **15x** more likely to save for retirement if they can do so through their employer
- ❖ Employers with one or more W2 employees and without a qualified workplace retirement savings option are required by law to administer OregonSaves
 - Next deadline is **Wednesday, July 31, 2024**
- ❖ Participation is *voluntary* for employees



- ❖ OregonSaves does not impose fees nor fiduciary responsibility on employers
 - Employers are responsible for (1) registration and (2) timely payroll contributions
 - OregonSaves is straightforward to administer and compatible with leading payroll providers (*Integrations*)

- ❖ Workers enrolled in the program receive access to a portable Roth IRA
 - Standard enrollment contributions are an after-tax 5% contribution based on gross pay.
 - Savings are invested: Capital Preservation Fund (Money Market)(30 days), then Target Retirement Date Fund.
 - Savings and investments choices can be modified to meet each savers' preferences



❖ RESOURCES

- Website: www.oregonsaves.com
- Employer Help Center: <https://help.oregonsaves.com/hc/en-us>
- Live webinars (available in English and Spanish): www.oregonsaves.com/events (WebEx)
- Client Services: 1.844.644.6161: clientservices@oregonsaves.com
- Spanish Information page: www.oregonsaves.com/espanol
- Registration deadline: **Wednesday, July 31, 2024**
 - www.oregonsaves.com/register



OREGON

COLLEGE SAVINGS PLAN™





- ❖ Oregon College Savings Plan is a 529 college savings account
 - Savings can be spent at universities, community colleges, trade schools, apprenticeships, and more!
 - Also covers tuition, room and board, books, tech, and more!
 - Maximum account balance = \$400,000
 - Savings are invested. Multiple portfolios available.
 - Tax-free growth

- ❖ Kids who know they have an education savings account are **2.5 times more likely** to attend and graduate from college.



- ❖ **BottleDrop:** Recycle your cans and bottles with BottleDrop and automatically transfer those deposits to an OCSP account.
- ❖ **Top question:** What if my child (beneficiary) doesn't go to college or gets a scholarship?
 - You have more than one option!
- ❖ **TAX CREDIT**
 - ❖ Contribution are eligible for a refundable Oregon Income Tax Credit
 - Up to \$180 for single filers, \$360 for joint filers (means-tested)
 - ❖ Oregon Earned Income Credit (EITC): a tax benefit for working people with low to moderate income, particularly those with children



OREGON ABLE
SAVINGS PLAN
oregon**ABLE**savings.com

- ❖ **Problem:** A person with a disability becomes ineligible to receive vital government-provided benefits, such as Medicaid and SSI if they have more than \$2,000 saved in their name.
- ❖ ABLE allows a person with a disability to save well beyond the \$2,000 asset limit without risking assistance they rely on
 - \$100,000 before impacting any benefits
- ❖ Qualifications:
 - Disability, certified by a doctor
 - Age



OREGON ABLE
SAVINGS PLAN
oregon**ABLE**savings.com

- ❖ \$18,000 annual contribution limit
 - ABLE to Work allows for an additional \$14,580 to be contributed to ABLE account
- ❖ Savings are invested. Multiple portfolios available.
- ❖ Savings can be used for any expense that helps improve **health, independence, and/or quality of life** of the person with a disability
- ❖ **TAX CREDIT**
 - ❖ Contribution are eligible for a refundable Oregon Income Tax Credit
 - Up to \$180 for single filers, \$360 for joint filers (means-tested)
 - ❖ Oregon Earned Income Credit (EITC): a tax benefit for working people with low to moderate income, particularly those with children



- Website: www.oregoncollegesavings.com
 - OCSP webpage now available in 15 languages!
 - Updated FAQ page: www.oregoncollegesavings.com/faqs
-



- Website: www.oregonablesavings.com
- FAQ page: www.oregonablesavings.com/faqs

THANK YOU!

RENZO.MEZA@OST.STATE.OR.US



Agricultural Employer Overtime Tax Credit

July 26, 2024

Presented by Favi Morales



HB 4002 (2022): Mandatory overtime for agricultural employees

- Phased in over six years – hours worked over 55 per week in 2023 and 2024
- Tax credit to offset costs
- Farm net operating loss three-year carryback (SB 1524 - 2022)
- HB 2058: repayable award for qualifying ag employer (must qualify/apply for credit) – www.oregon4biz.com

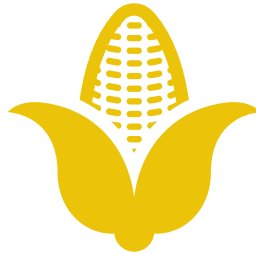
Agricultural Employer Overtime Tax Credit

- North American Industry Classification System (NAICS) code 111 or 112
- Percentage of overtime (OT) wages paid to qualifying employees
- Decreases over six-year phase-in period
- \$55 million total credit per year
- Apply through Revenue Online **in January only**
 - Set up account early (if don't already have one)

Agricultural Employer Overtime Tax Credit

- Automatic filing extension for all applicants
 - Allows time to process applications
 - If more than \$55 million claimed, all credits must be reduced
 - A letter of Acknowledgment will be mailed out by June 1

Credit **percentage**
based on industry
sector and number of
full-time equivalent
(FTE) employees



Credit **amount** based on
OT portion of wages paid
for hours worked beyond
threshold by qualified
employees

Agricultural Employer Overtime Tax Credit

Workers who don't qualify:

- Employer's parent, spouse, child, other immediate family
- Office, retail, other administrative employees
- Individuals described in ORS 653.020(1) (workers who aren't subject to state minimum wage standards)

Employers who don't qualify:

- Farm labor contractors (FLC) who don't have their own farming operation
- No OT wages paid in NAICS codes 111 or 112

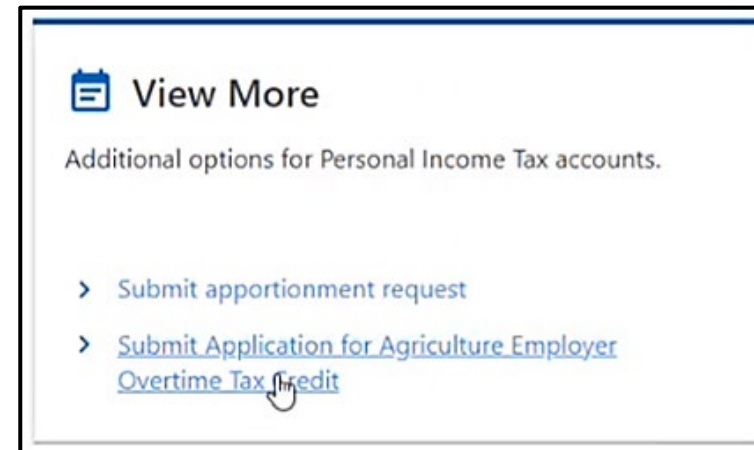
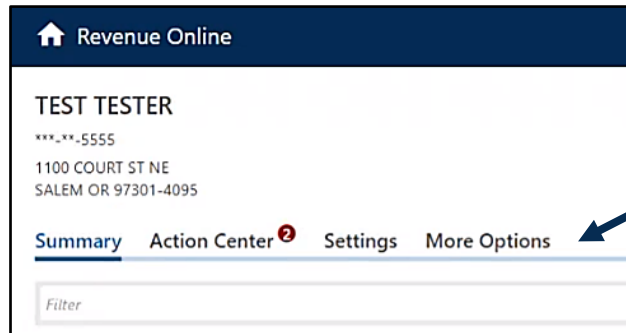
Agricultural Employer Overtime Tax Credit

Year	Tax credit as a percentage of overtime paid				
	Overtime threshold	More than 50 FTE*	26 to 50 FTE* & dairies with more than 25 FTE*	Not more than 25 FTE*	Dairies with not more than 25 FTE*
2023	55 hours	60%	75%	90%	100%
2024	55 hours	60%	60%	80%	100%
2025	48 hours	45%	60%	80%	100%
2026	48 hours	30%	50%	60%	100%
2027	40 hours	15%	50%	60%	100%
2028	40 hours	15%	50%	60%	100%

**FTE is full-time equivalent*

Tax credit application

Revenue Online – link available January 1 under **View More**





What to have on hand

- Tax information
- Information about farming business
 - FEIN, NAICS code, license number
- Employee information
 - Number of employees
 - Regular and overtime hours worked
 - Wages paid for overtime worked
 - Over 55 hours per week

Filing statistics

Applications filed

- Total applications submitted – 369
- Total dairy – 32

Entity types filed

- Corporations (including S-Corps)
– 52 percent
- Partnerships – 25 percent
- Personal income tax – 23 percent

Total credit requested

- \$7,811,685



First season challenges

- Base wages vs. overtime wages
- Farm labor contractor wages included in eligible wages
- Pass-through entities (PTE) account access
- PTE named PTE as recipient of pass-through credit



First season challenges

Base wages vs. overtime wages

- 🐮 Many applications filed with base wages included in eligible overtime

- 🐮 Overtime portion is the .5 of the 1.5 wages

- 🐮 Example:

The regular rate paid to an employee is \$15 an hour. Collectively, employees worked 1,000 regular hours and 100 overtime hours. Overtime is calculated as \$15 (regular rate) times 1.5, which equals \$22.50. The overtime portion is calculated as \$22.50 minus \$15 = \$7.50. The overtime portion is \$7.50 times 100 overtime hours, which equals \$750. For this question you will enter \$750.

First season challenges

Farm labor contractor (FLC) wages included in eligible wages

- Employers that **also** do business as an FLC included all overtime wages.
- Hours and overtime wages need to be separated if work is not performed in their farm.
- Employers using the FLC will claim the hours and overtime wages paid in their application.

First season challenges

Pass-through entities (PTE) account access

- 🌾 Must have a prior year tax return, or letter issued to entity
- 🌾 PTEs do not have prior year income tax return
- 🌾 PTEs need to request an introduction letter
- 🌾 Mailing time can take a week or more

First season challenges

PTE named PTE as recipient of pass-through credit

🌾 PTEs completed Section F, PTE members and shareholders with the filing entity's name.

🌾 Complete Section F with member or shareholder information only

🌾 If member or shareholder information not available, file OR-TFR

Application processing

- 🚜 Most applications were processed without additional department contact.
- 🚜 Adjusted applications
 - 🚜 Most adjusted applications a result of adding base wages to eligible overtime
 - 🚜 Majority of cases resolved with phone call to application contact
- 🚜 Denied applications
 - 🚜 Most denied for amounts claimed outside of industry norms
 - 🚜 Not necessarily wrong, just requires more detailed review of records
 - 🚜 Appeal process allows for additional time to review records



Upcoming

🌾 June 1, mailing of
acknowledgement letter

🌾 Continued outreach



For more information

- Webpage
- Email updates
- Social media
- Conferences, county fairs, Oregon State Fair



 **Oregon Revenue Dept.** @ORRevenue · Oct 19
Signup for email updates with the latest news about @ORRevenue programs at ow.ly/uVtU50LMgur.

SIGN UP FOR EMAIL UPDATES

Need to know what's new?

- Ag Overtime Update
- ELVIS Project News
- Pass-Through Entity Elective Tax

Subscribe today.



Communicating with the agricultural OT Team

Tax credit questions can be sent to: Ag.Overtime@dor.oregon.gov

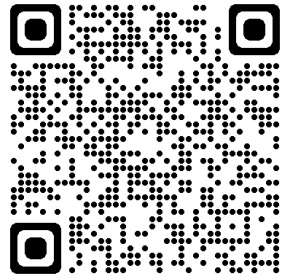


External Webpage: www.oregon.gov/dor/programs/businesses/Pages/ag-overtime

(From our main page, click the Businesses section and follow the link under Resources)

Subscribe to Agricultural Overtime Update emails: www.oregon.gov/dor

(Under Contact and Follow Us at the bottom of the page)



Wage and hour questions can be sent to: Ag.Overtime@boli.oregon.gov



Revenue Online - Letters

Robert Oakes
Operations and Policy Analyst
PTAC Division

Revenue Online



Revenue Online



You can now access the [What's My Kicker? calculator](#).



Log in

[Forgot username or password?](#)

[Don't have a login? Sign up now](#)

Sign Up

DOR Letters Update



- Make more letters available online



- Faster and more efficient



- Reduces paperwork and mailing costs

Letters Added to Revenue Online

- **77 total**
- **Examples:**
 - Requested Info Not Received
 - Withholding Due Date
 - Notice of Lien Release
 - Lien Payoff



Do you have questions or need help?

www.oregon.gov/dor

503-378-4988 or 800-356-4222

prac.revenue@dor.oregon.gov

Contact us for ADA accommodations or assistance in other languages.