OREGON DEPARTMENT OF REVENUE

DOR Tax Professional Liaison Meeting

October 30 , 2026

Host by: Daron Prara

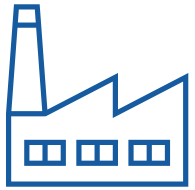
Agenda

- Welcome!
- Qualified Jobs Creation Tax Credit
- Customer Experience Center of Excellence (CxCOE)
- After Disaster Documentation
- Payroll
- Opportunity Zone
- Corporation Updates
- Department of Revenue updates

Presenters



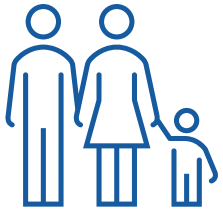
Sienna Fitzpatrick
Business Oregon



Chris Cox and Jason Larimer
Business



Bruce Davis
Customer Experience Center of Excellence



Cecily Gutierrez and Jackie Hovey
Personal Tax and Compliance

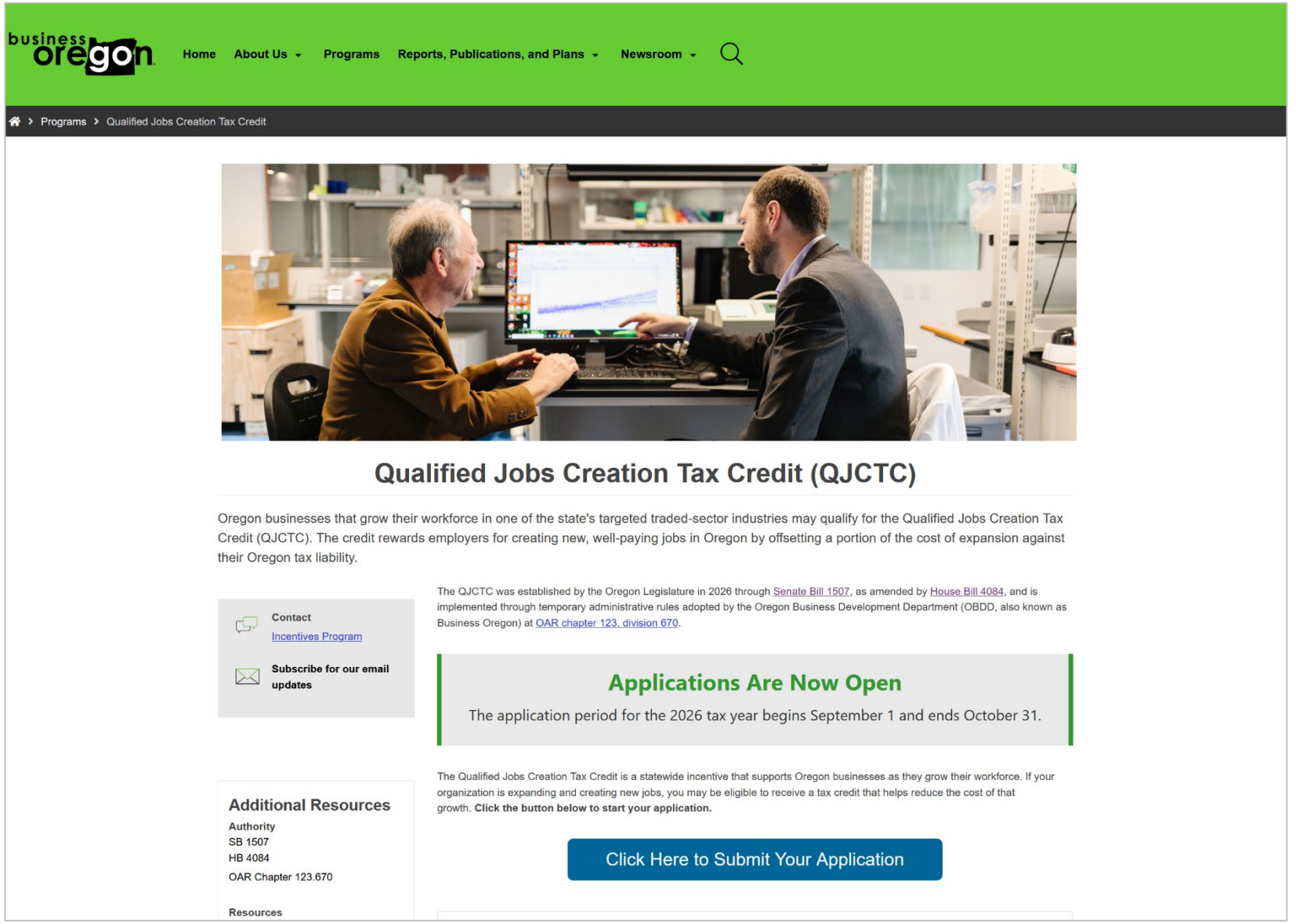
Qualified Jobs Creation Tax Credit

Program Overview for Tax Professional Liaison Meeting

October 30, 2026

Agenda today

- Purpose & Establishment
- Process
- Eligibility & Qualifications
- Outcomes to date
- Q&A



But First…

- Applications are due by 11:59 p.m. on October 31, 2026.
  - After the closing data, applications may only be adjusted downward.
- Business Oregon program webpage: https://www.oregon.gov/biz/programs/qjctc/pages/default.aspx
  - Includes an application walk-through YouTube video under “Additional Resources”
- Email: Incentives.Program@biz.oregon.gov

Purpose & Establishment

- Rewards qualifying Oregon businesses for creating new, well-paying jobs by offsetting a portion of the cost of expansion against their Oregon tax liability.
- Established by the Oregon Legislature in 2026 through SB 1507 and amended by HB 4084.
- Up to $1,000 per net new job created for up to 10 jobs per qualifying business in one of seven industries.
- $12.5M annual program cap.
- Five-year program.

Program Process

1. Applicants apply and submit the required Employment & Wage Calculation worksheet, at a minimum.
    a) Self-attestation process
2. Application window closes 10/31/26
3. Application review begins 11/1
    a) Completeness
    b) Meets eligibility criteria
4. Certifications are issued by 1/15
    a) Certification letters will include filing instructions

Qualified Industries

- Advanced manufacturing
- Bioscience and biotechnology
- Clean technology
- Food and beverage processing
- Forestry and wood products
- High technology
- Outdoor gear and apparel

Demonstrating Eligibility

- Have an eligible NAICS code ****Not a determinative list****

  OR

- Written statement indicating a critical and primary role in the industry
  - Describe principal products/services, share of total receipts, and NAICS code

Note: Headquarters or similar businesses are eligible if they serve businesses under one of the industries and meet all other qualifications

Additional Resources

Authority

SB 1507

HB 4084

OAR Chapter 123.670

Resources

Application

Guidelines

Employment & Wage Calculation Worksheet

Supplemental Information Worksheet

Qualifying Industry NAICS Codes

Demonstrating Eligibility for Program

- Net new jobs
  - One or more net new jobs in Oregon between July 2025 to June 2026 for the 2026 tax year.
- Wage threshold
  - Each job must be paid at or above 150% of Oregon's minimum wage for the county where the employee works.
- Certification
  - Letters certifying approval or rejection will be issued by January 15th. Applicants must receive written certification from Business Oregon before claiming the credit on your Oregon tax return.

Questions?

- Business Oregon program webpage: https://www.oregon.gov/biz/programs/qjctc/pages/default.aspx
- Email your questions to: Incentives.Program@biz.oregon.gov

OREGON DEPARTMENT OF REVENUE

Authorized Representation of Taxpayers

Deceased Taxpayers and ROL Access and Usage

October 30, 2026

Bruce Davis, Customer Experience Director



Representing Deceased Taxpayers

When the representative is a Distant Relative, Friend or Law Firm

Challenges and Concerns

- Tax Practitioner Hotline states the agency's authorization forms are only for living taxpayers.
- Address mismatch in DOR's system of record
- May not know the last time taxpayer filed

Answers: Authorization for Deceased Taxpayer, Part 1

- The DOR authorization forms may only be authorized by people who are still alive but **can be used for representation of deceased taxpayers.**
- The form is valid until the death of the taxpayer or until revoked by providing written notice to the department.
- Previous authorization by a living person who is now deceased invalidates the authorization.

Answers: Authorization for Deceased Taxpayer, Part 2

How can deceased taxpayers be represented?

- Court appointed representative provides DOR the court/legal paperwork to show they currently legally represent the deceased person.
- Then, DOR confirms via skip trace the current, legally-recognized representative.
- After that, the confirmed legally-recognized representative can authorize a Third Party – person, attorney, firm - who meets the qualifications to represent.

Answers: Authorization for Deceased Taxpayer, Part 3

How can addresses be updated? How can filing information be obtained?

- Addresses, Filing History and other information can be updated by an authorized representative.



ROL Access

To Customers’ Accounts: With Authorization to Represent

Challenges - Concerns

- As an authorized third party, it is sometimes challenging to access clients' accounts using ROL.
- Waiting for authorizations to be updated in ROL. There seems to be potential which could directly help with client account access.

Answers: Accessing Customer's ROL Account, Part 1

Common Causes

- Account Settings are not set to allow third party access
- Validation Information is incorrect to access the account

Answers: Accessing Customer's ROL Account, Part 2

Common Resolutions, if account settings and validation information are correct:

- Clear cache, clear history, close browser, reopen browser and try again
- Computer restart
- Computer hard boot

If you have already tried these to no avail, or you would otherwise prefer, please call the Tax Practitioner Line for resolution.

Note: During your phone call, you may be asked to try some of the common resolutions as part of troubleshooting.

Answer: Waiting for access…possibilities

What is in progress:

- A service request has been entered to explore possibilities, post upgrade of our main system. After the upgrade, CxCOE plans to work with our Programs on this effort.

Service Request Summary: What would it take to connect the ROL authorization web request, to the web request for adding access to the account – to what degree could this be automated?

- **Key Items:** Technical Capability, Security Concerns, Customer Demand, Project Management, External Customer Change Management

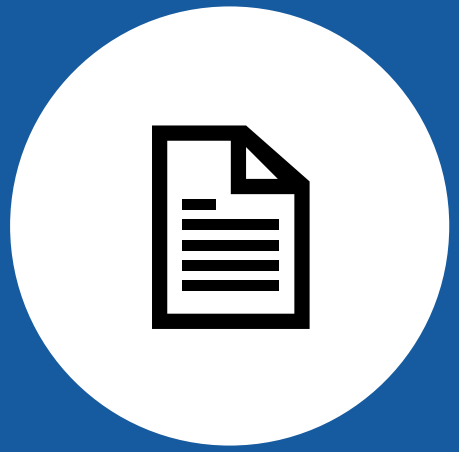
OREGON DEPARTMENT OF REVENUE

After Disaster Documentation

Tax Pro Liaison Meeting

October 30, 2026

Cecily Gutierrez, Operations and Policy Analyst



How taxpayers can reconstruct records after a disaster

Replacing tax records

Request Oregon transcripts on Revenue Online

Sign into Revenue Online

Click on the **View More** link inside the Personal Income Tax account panel

Select **Generate a Return Transcript** and select the specified tax period

Request Oregon transcripts by email

- If you would like to receive a return transcript in the mail you can email questions.dor@dor.Oregon.gov



Request Oregon transcripts by phone

If you would like to receive a return transcript in the mail you can call us.

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

Open Monday-Friday, 7:30 a.m. to 5 p.m.

Phone lines are closed from 9 a.m. to 11 a.m. Thursdays

Phone lines are closed on holidays.



Replacing financial and bank records

- Credit card companies and banks often provide customers with access to past statements that can be useful in reconstructing destroyed financial records.



Reconstruct personal property records

- Taxpayers can try to reconstruct personal property records with photos, videos, canceled checks, and receipts that can help establish the value of lost or damaged property. They can also check online sources to help determine fair market value.



Real property records



Property documents: Contact the title or escrow company or bank that handled the purchase of the home or other property for copies of the records.



Home improvements: Taxpayers can get in touch with the contractors who did the work and ask for statements to verify the work and cost.



Inherited property: Check court records for probate values. If a trust or estate existed, taxpayers can contact the attorney who handled the trust.



No records: Taxpayers with no records available should check the county assessor’s office for old documents and records that might address the value of the property.

Vehicle records

- Vehicle owners can research the current fair market value for most vehicles. They can also contact the dealer where the car was purchased and ask for a copy of the contract. Resources are available online and at most libraries.





Statewide Transit Tax Versus TriMet and Lane County Transit District Payroll Taxes

Chris Cox

Business Division

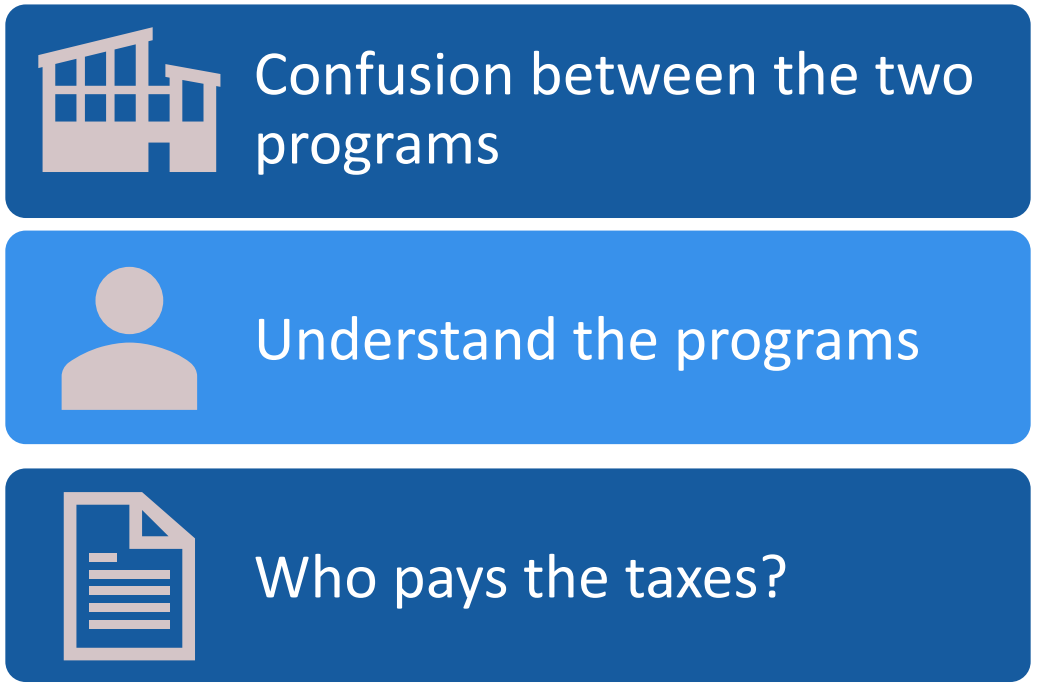
Withholding, Other Taxes, and Fees

Today's Agenda

1. Why this topic?
2. What is the Statewide Transit Tax (STT)
3. What are the TriMet Transit District Payroll Tax and Lane County Transit District Payroll Tax

Why this Topic

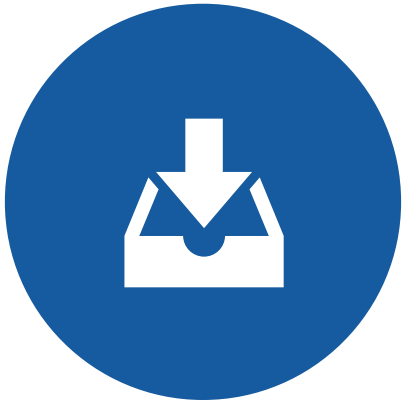
Received questions from past trainings.



Statewide Transit Tax



Employee paid



Same subject wages as Oregon withholding



Every employee with W-2 wages pays .1 percent unless exempt

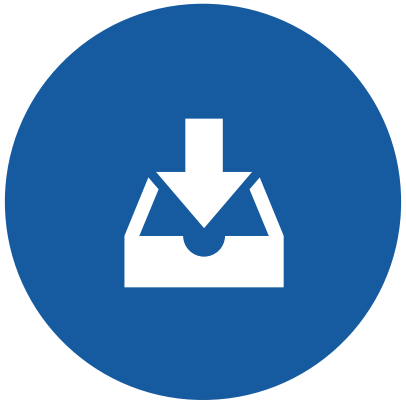
Common STT Errors

- 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.
- An employer does not withhold or report the STT or reports the information incorrectly.

TriMet and Lane County Transit District Payroll Taxes



Employer paid



Based on where work is being done.



Some entities are exempt like 501c(3)’s

Common Reporting Errors for TriMet and Lane County Transit District Payroll Taxes

- **Not knowing where the employees are working, so TriMet and Lane County transit district payroll taxes are 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, or a company that has employees who work at various locations. For example, this could be a plumbing company in Woodburn, but it does work in the Portland area (in the TriMet Transit District).
- **Reporting 100 percent of the wages for both the TriMet and Lane County transit districts***:* This happens when the work might not be done in any of the areas or might be done in just one. One can't work 100 percent of the time in two areas.
- **Reporting the tax when your business is exempt***:* (Example we see is 501c(3)'s reporting these taxes when exempt)

Recap

- The Statewide Transit Tax and the TriMet and Lane County transit district taxes have the word “transit” in both, but they are different programs.
- Subjectivity is different
- Who pays it is different
- Rules are different for each program

On the Department of Revenue webpage, type “payroll taxes” in the search tool to find our pages on starting payroll taxes and payroll outreach and training.

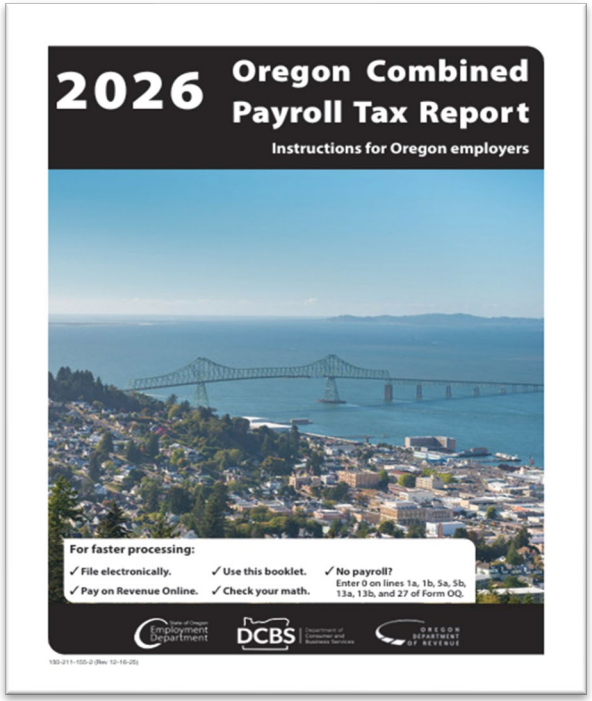
Oregon Guides



[Oregon Employer's Guide from Oregon Secretary of State]



[Guía del Empleador en Oregón]



[2026 Oregon Combined Payroll Tax Report]



Questions?

Chris Cox

Outreach Coordinator

503-509-5188

chris.cox@dor.oregon.gov

DOR Withholding, Other taxes and Fees

503-945-8100

OREGON DEPARTMENT OF REVENUE

Corporations 2026 Update

Tax Pro Liaison Meeting

October 30, 2026

Jason Larimer, Operations and Policy Analyst

Corporation 2026 update

- One Big Beautiful Bill Act (OBBBA) for corporations
  - Oregon mostly connects to the OBBBA.
  - Oregon is disconnected from bonus depreciation.





Corporation update

- New jobs tax credit for Corporations
  - Certified through Business Oregon
  - Effective for tax years beginning on or after January 1, 2026.

Corporation 2026 update

- New tax credit for Oregon banks.
  - Requires following the process to set up a new bank.
  - Process is administered by Department of Consumer and Business Services.
  - Credit is effective for tax years beginning on or after January 1, 2027.



Questions for Corporation?



Questions?

corp.help.dor@dor.oregon.gov

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Qualified Opportunity Zones

Tax Pro Liaison Meeting

October 30, 2026

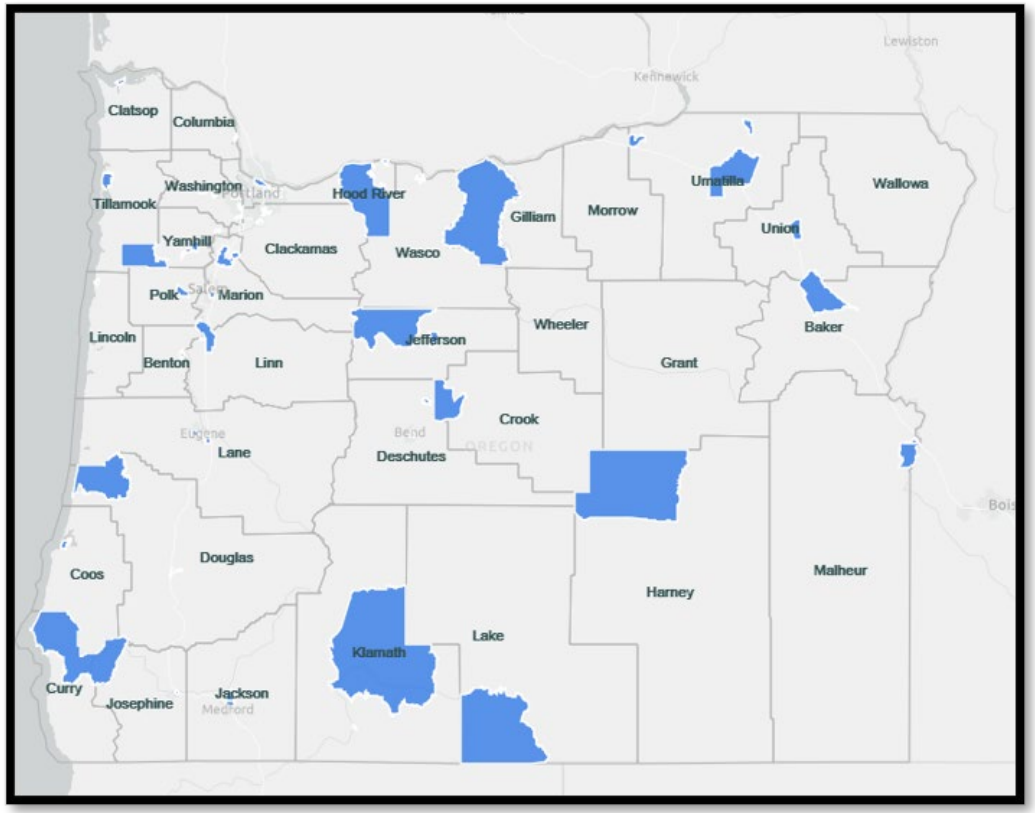
Jackie Hovey, Operations and Policy Analyst

Opportunity Zone basics

What is an Opportunity Zone?

Population census tract where:

- Poverty rate at least 20%, or
- Median family income not more than 80% of:
  - Statewide median, if rural
  - Greater of statewide or metro median, if metro

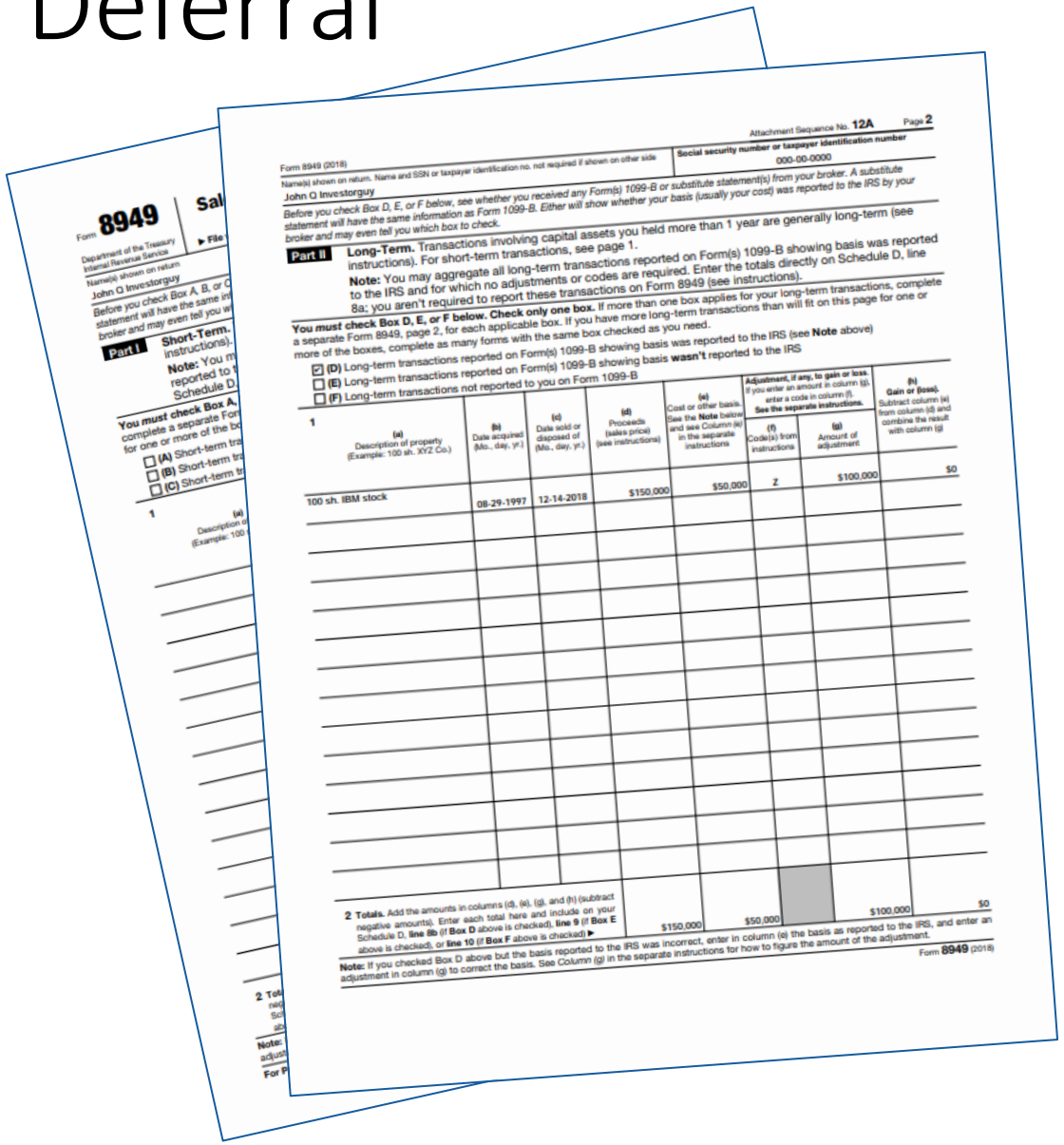


Opportunity Zone incentives

- Basis adjustments
- Tax-free gain on investment



Deferral



Form 8949 (2018) Attachment Sequence No. 12A Page 2

Name(s) shown on return. Name and SSN or taxpayer identification no. not required if shown on other side: John Q Investorguy

Social security number or taxpayer identification number: 000-00-0000

Before you check Box D, E, or F below, see whether you received any Form(s) 1099-B or substitute statement(s) from your broker. A substitute statement will have the same information as Form 1099-B. Either will show whether your basis (usually your cost) was reported to the IRS by your broker and may even tell you which box to check.

Part II **Long-Term.** Transactions involving capital assets you held more than 1 year are generally long-term (see instructions). For short-term transactions, see page 1.

Note: You may aggregate all long-term transactions reported on Form(s) 1099-B showing basis was reported to the IRS and for which no adjustments or codes are required. Enter the totals directly on Schedule D, line 8a; you aren't required to report these transactions on Form 8949 (see instructions).

You *must* check Box D, E, or F below. Check only one box. If more than one box applies for your long-term transactions, complete a separate Form 8949, page 2, for each applicable box. If you have more long-term transactions than will fit on this page for one or more of the boxes, complete as many forms with the same box checked as you need.

- ☑ **(D)** Long-term transactions reported on Form(s) 1099-B showing basis was reported to the IRS (see **Note** above)
- ☐ **(E)** Long-term transactions reported on Form(s) 1099-B showing basis **wasn't** reported to the IRS
- ☐ **(F)** Long-term transactions not reported to you on Form 1099-B

1 (a) Description of property (Example: 100 sh. XYZ Co.)	(b) Date acquired (Mo., day, yr.)	(c) Date sold or disposed of (Mo., day, yr.)	(d) Proceeds (sales price) (see instructions)	(e) Cost or other basis. See the **Note** below and see Column (e) in the separate instructions	Adjustment, if any, to gain or loss. If you enter an amount in column (g), enter a code in column (f). See the separate instructions. (f) Code(s) from instructions	(g) Amount of adjustment	(h) Gain or (loss). Subtract column (e) from column (d) and combine the result with column (g)
100 sh. IBM stock	08-29-1997	12-14-2018	$150,000	$50,000	Z	$100,000	$0
2 **Totals.** Add the amounts in columns (d), (e), (g), and (h) (subtract negative amounts). Enter each total here and include on your Schedule D, **line 8b** (if **Box D** above is checked), **line 9** (if **Box E** above is checked), or **line 10** (if **Box F** above is checked) ▶			$150,000	$50,000		$100,000	$0

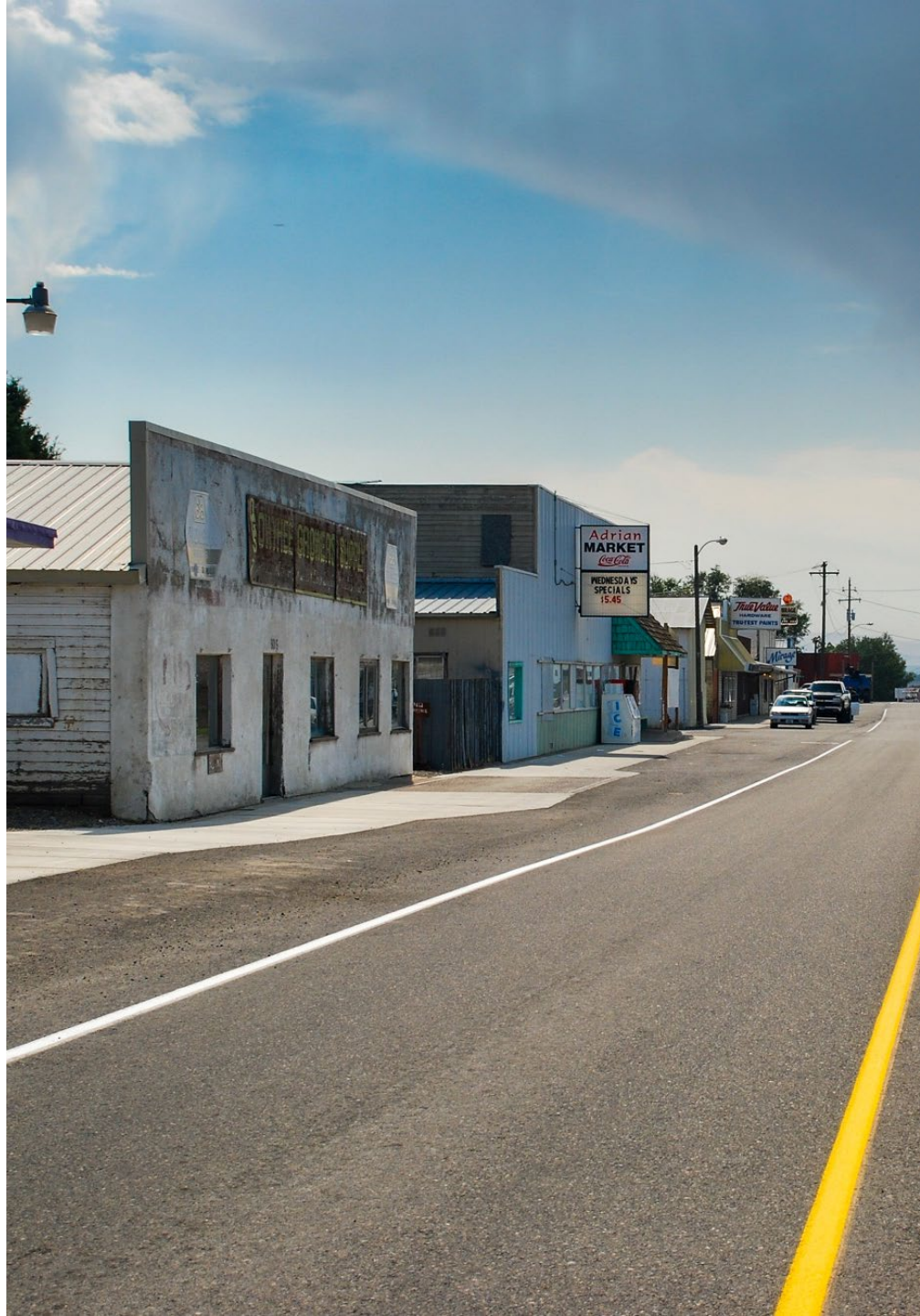
Note: If you checked Box D above but the basis reported to the IRS was incorrect, enter in column (e) the basis as reported to the IRS, and enter an adjustment in column (g) to correct the basis. See *Column (g)* in the separate instructions for how to figure the amount of the adjustment.

Form **8949** (2018)

- Capital gain resulting from sale or exchange
- After 2017 (and before 2027)
- Within 180 days of sale/exchange
- Report as adjustment to gain on return for year of sale/exchange

Opportunity Zone Property

- Tangible property used in a trade or business located in an OZ
- Stock in a domestic corporation
- Capital or profits interest in domestic partnership



Qualified Opportunity Funds

- Domestic corporation or partnership doing business in designated zone
- Tangible property used in trade or business by corporation or partnership



Investment benefits

Basis starts at $0

Increase basis of investment:

- By recognized gain on sale or exchange if held less than 5 years
- Plus 10 percent of deferred gain if held for at least 5 years
- Plus another 5 percent if held at least 7 years

If held at least 10 years, FMV on date of sale (by election)



Inclusion events

Earlier of:

- Year investment in QOF sold or exchanged, or
- Tax year that includes December 31, 2026



Inclusion amount

If investment sold or exchanged before 2027, include:

- Original deferred gain
  - —Less recognized gain on investment
  - —Less percentage of deferred gain based on holding period (if any)



Inclusion amount

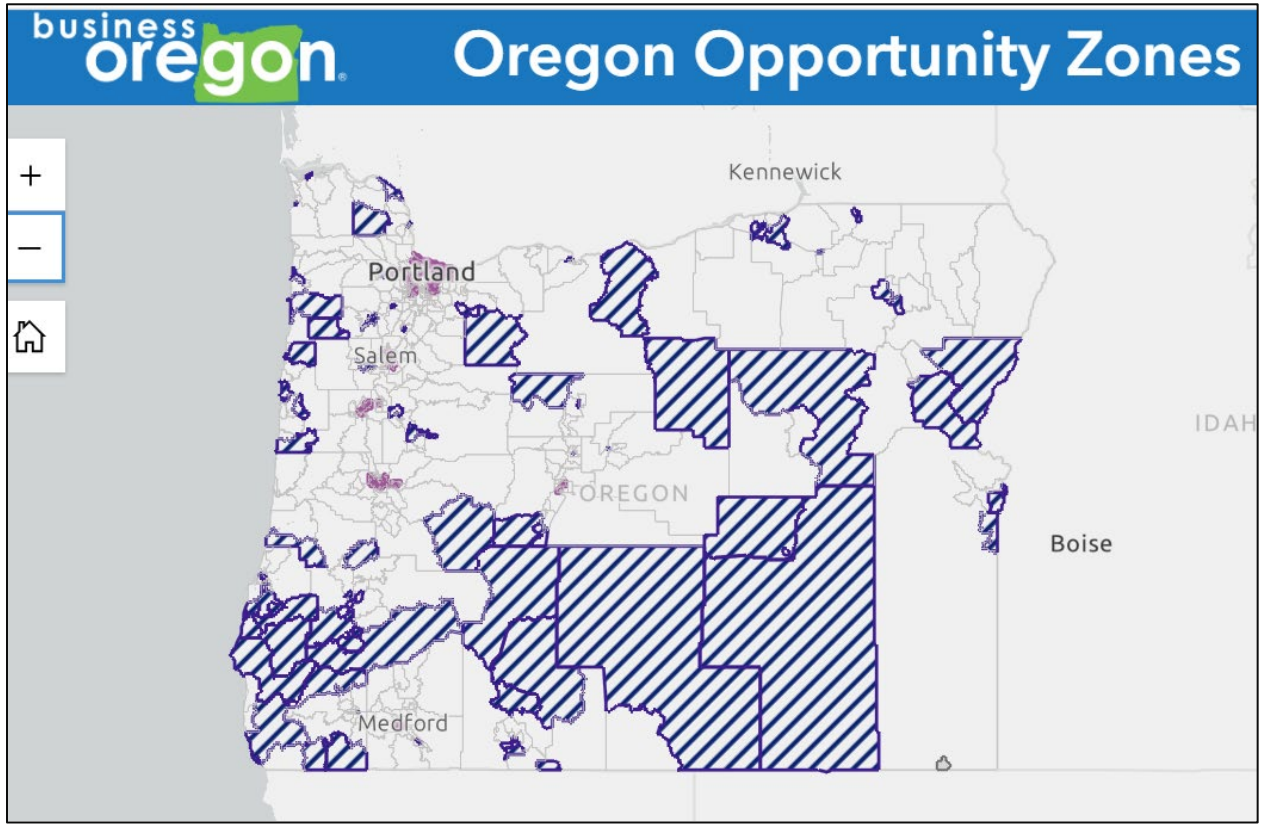
If investment still held after 2026, start with:

- Lesser of deferred gain or FMV of investment on December 31, 2026,
  - —Less basis in investment (percentage based on holding period)



One, Big, Beautiful Bill Act changes

OBBBA changes



- Permanent
- Designation of eligible census tracts every 10 years
- Effective January 1 of following year
- Tracts are either urban or rural



OBBBA benefit changes

Basis adjustments:

- If **rural** QOF, **30** percent of deferred gain if held 5+ years
- Elect FMV on sale date if held 10+ years **but < 30 years**
- **New:** Elect FMV as of 30-year mark if held 30+ years
- 5 percent increase if held 7+ but < 10 years no longer applies



Changes to inclusion events

Earlier of:

- Year investment in QOF sold or exchanged, or
- **Five years after** investment year

Applies to sale or exchange of investment made after 2026



Inclusion categories

- Start with lesser of deferred gain or FMV on earlier of 5-year mark or date of sale/exchange
- Reduce by:
  - Recognized gain on sale or exchange of investment
  - Percentage of deferred gain if held 5+ years



Keep in mind

Deferred gain keeps same character

- If LTCG then, still LTCG when included
- If STCG then, still STCG when included
- If taxable (or non-taxable) by Oregon then, taxable (or non-taxable) by Oregon when included



Also keep in mind

- Oregon is tied to definition of federal taxable income
- Federal taxable income includes basis adjustments that reduce inclusion amount
- Inclusion amount flows through to Oregon

New Oregon codes

What if…

- A resident of a state other than Oregon invested gain from the sale of a non-Oregon capital asset in a QOF in a state other than Oregon in a prior year, and
- The taxpayer is still holding the investment in the QOF on December 31, 2026, and
- By the time they file their return for their tax year that includes December 31, 2026, they have become a full-year Oregon resident?

Scenario 1: Nonresident taxpayer

- Calendar-year filer
- Sold non-Oregon-source asset in February 2022 with $250,000 in recognized gain
- Invested gain in non-Oregon QOF in May 2022
- Excluded gain from 2022 federal gross income
- Holds QOF investment on December 31, 2026
- $150,000 in non-Oregon wages
- $20,000 in other income from Oregon sources
- Files 2026 Oregon nonresident return

Scenario 1 returns

Form 1040	
Wages	150,000
Capital gain	250,000
Other income	20,000
AGI	420,000

Form OR-40-N	**Federal**	**Oregon**
Wages	150,000	0
Capital gain	250,000	0
Other income	20,000	20,000
Income after adjustments	420,000	20,000
Additions	0	0
Subtractions	0	0
Income after subtractions	420,000	20,000
Oregon percentage		4.8%

Scenario 2: Nonresident taxpayer

- Calendar-year filer
- Sold **Oregon-source** asset in February 2022 with $250,000 in recognized gain
- Invested gain in non-Oregon QOF in May 2022
- Excluded gain from 2022 federal gross income
- Holds QOF investment on December 31, 2026
- $150,000 in non-Oregon wages
- $20,000 in other income from Oregon sources
- Files 2026 Oregon nonresident return

Scenario 3: Nonresident taxpayer

- Calendar-year filer
- Sold **non-Oregon-source** capital asset in February 2022 with $250,000 in recognized gain
- Invested gain in non-Oregon QOF in May 2022
- Excluded gain from 2022 federal gross income
- Holds QOF investment on December 31, 2026
- $150,000 in non-Oregon wages
- $20,000 in **capital loss** from Oregon source
- Files 2026 Oregon nonresident return

Scenario 4: Full-year resident taxpayer

- Calendar-year filer
- Sold **non-Oregon-source** capital asset in February 2022 with $250,000 in recognized gain, **while a nonresident**
- Invested gain in non-Oregon QOF in May 2022
- Excluded gain from 2022 federal gross income
- Holds QOF investment on December 31, 2026
- $150,000 in wages
- $20,000 in other income
- Files 2026 Oregon **full-year resident** return

Scenario 5: Full-year resident taxpayer

- Calendar-year filer
- Sold non-Oregon-source capital asset in February 2022 with $250,000 in recognized gain, while a nonresident
- Invested gain in non-Oregon QOF in May 2022
- Excluded gain from 2022 federal gross income
- Holds QOF investment on December 31, 2026
- $150,000 in wages
- $20,000 **capital loss**
- Files 2026 Oregon full-year resident return

Scenario 6: Full-year resident taxpayer

- Calendar-year filer
- Sold non-Oregon-source capital asset in February 2022 with $250,000 in recognized gain, while a nonresident
- Invested gain in non-Oregon QOF in May 2022
- Excluded gain from 2022 federal gross income
- **Sold investment** during 2026 **with $40,000 recognized gain**
- $150,000 in wages
- $20,000 capital loss
- Files 2026 Oregon full-year resident return

Questions about QOFs?

- Contact the IRS for general questions about the Opportunity Zone program: https://www.irs.gov/credits-deductions/opportunity-zones-frequently-asked-questions
- Contact us at the usual places if you have questions about the Oregon subtractions that might apply when there has been a change in residency status.



Do you have questions or need help?

www.oregon.gov/dor

503-378-4988 or 800-356-4222

questions.dor@dor.oregon.gov