

PART-YEAR RESIDENT & NONRESIDENTPERSONAL INCOME TAX FORMS **40P** AND **40N** WITH INSTRUCTIONS

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**current topics****Military personnel**

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Payment voucher, Form 40-V

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Working family child care credit

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New Web site

Visit our new Web site at www.oregon.gov/DOR for forms, publications, and other tax information.

Direct deposit

Have your refund deposited directly into your checking or savings account. See page 32.

Credit card payments

You may now pay your 2004 Oregon personal income tax with your credit card. See page 30.

**e-file**

Get your refund faster with electronic filing and direct deposit. Visit our Web site for more information.



Oregon Department of Revenue
955 Center Street NE
Salem OR 97301-2555

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These instructions are not a complete statement of laws and Oregon Department of Revenue rules. You may need more information or forms. See page 40.

Electronic filing

Electronic filing (e-file) is a fast, efficient, and accurate way to file. Visit our Web site to download the information circular, *Electronic Filing for Oregon*. Or, to order it, see page 40.



New information

Federal tax liability subtraction. The federal tax subtraction limit has increased to \$4,000 (\$2,000 married filing separately). See page 25.

Department of Revenue Web site. Our Web site address has changed. For additional personal income tax information, please visit our Web site at www.oregon.gov/DOR.

Credit card payment. The department is now accepting credit card payments for 2004 current-year taxes and 2005 estimated taxes. See page 30.

Payment voucher, Form 40-V. Complete Form 40-V when mailing a 2004 payment or a 2005 estimated tax payment, or when filing a 2004 Oregon extension. See page 31. If paying by credit card, do not use Form 40-V.

Abbreviations replaced with numeric codes. We have replaced the standard abbreviations used to identify

other additions, subtractions, and credits with numeric codes. See pages 20, 21, and 28.

Standard deduction amounts. The standard deduction amounts have changed. See page 24.

Federal child tax credit may cause a shortage in Oregon withholding. If you increased the number of allowances claimed on your federal Form W-4 to account for the federal child tax credit, it may have caused a shortage of Oregon withholding. Visit our Web site or contact us for more information. See page 40.

Filing status for same-sex couples who were issued marriage licenses. Current tax law, as of the date this publication was printed, requires that you use the same filing status for Oregon as you used on your federal return. Visit our Web site or contact the department for more information. See page 40.

General information

Should I file an Oregon return?

You must file an Oregon income tax return if your Oregon source income and income received while an Oregon resident is more than your standard deduction.

If your Oregon income is less than your standard deduction, you are not required to file a return for Oregon.

Full-year residents. Oregon taxes your income from all sources.

Part-year residents. Oregon taxes your income from all sources earned or received while you were an Oregon resident. Oregon also taxes your income from Oregon sources while you were a nonresident.

Nonresidents. Oregon taxes only your income from Oregon sources.

Filing thresholds

You must file an Oregon income tax return if:		
Your filing status is:	Age:	And your Oregon income is more than:
Single, can be claimed on another's return	Any	\$800*
Single	Under 65	\$1,720
	65 or over	\$2,920
Married, joint return	Both under 65	\$3,445
	One 65 or over	\$4,445
	Both 65 or over	\$5,445
Married, separate return <i>If spouse claims standard deduction</i>	Under 65	\$1,720
	65 or over	\$2,720
<i>If spouse itemizes deductions</i>	Any	\$0
Head of household	Under 65	\$2,770
	65 or over	\$3,970
Qualifying widow(er)	Under 65	\$3,445
	65 or over	\$4,445

* The larger of \$800 or your earned income plus \$250, up to your standard deduction amount.

What does income from Oregon sources include?

It includes income shown on your federal return from compensation for services performed in Oregon.

If you have wages from an Oregon employer for services performed in Oregon and another state while you were a nonresident and your Oregon wages are

not stated separately on your W-2, compute your Oregon source income using the following formula:

$$\frac{\text{Days actually worked in Oregon}}{\text{Days actually worked everywhere}} \times \text{Total wages} = \text{Oregon wages}$$

Do not include holidays, vacation days, and sick days as actual work days. **However, you must** include sick pay, holiday pay, and vacation pay in total wages. You **must** attach an explanation from your employer. If Oregon is the only state you worked in, do not use this formula; all of your earnings are taxable and must be reported in the Oregon column.

Example: Savannah lives in Idaho but works in Oregon. Of her 260 total days paid, she worked 132 days in Oregon and 88 days from her home in Idaho. She received 27 days vacation pay, five days of sick pay, and eight days of holiday pay. She earned \$50,000 in wages. She figured the amount subject to Oregon tax as follows:

Total days paid	260
Less: Vacation days	(27)
Sick days	(5)
Holidays	(8)
Total days worked everywhere	220

$$\frac{\text{Days actually worked in Oregon (132)}}{\text{Days actually worked everywhere (220)}} \times \frac{\$50,000}{\text{(Total wages)}} = \$30,000$$

Savannah's compensation reported in the Oregon column of Form 40N is \$30,000.

Other income from Oregon sources:

- Businesses, S corporations, partnerships, and limited liability companies taxed as partnerships located or doing business in Oregon.
- Unemployment compensation received because of an Oregon job.
- Severance pay you received because of an Oregon job.
- Oregon farms.
- Oregon estates and trusts.
- Sales of Oregon property.
- Rents and royalties for use of Oregon property.
- Community property income. If you are a resident of Oregon and your spouse is a resident of a state with community property laws, you may be taxed on part of your spouse's income. Community property laws in the state where your spouse lives determine if you are taxed on any of your spouse's income. You may need more information from the state where your spouse lives. Visit our Web site for links to other states' tax Web sites.

What income is not included in Oregon sources?

- Interest and dividends. However, if they are from an Oregon business you own or they are received during the part of the year you were a resident, you must include them in Oregon income.
- Interstate transportation wages from an interstate railroad company, interstate motor carrier, air carrier, or motor private carrier. You must be a nonresident and have regularly assigned duties in more than one state. Visit our Web site to download the information circular, *Amtrak Act (Interstate Transportation Wages)*. Or, to order it, see page 40.
- Oregon retirement income received while you were a nonresident unless you were domiciled in Oregon. See “Pensions and annuities” on page 18.
- Waterway or hydroelectric dam compensation, if you are a nonresident:
 - Working as crew or pilot on a vessel on a river between Oregon and another state, or
 - Working on a dam that spans a river between Oregon and another state.
- Military pay of a nonresident.

Residency

Am I a resident, a nonresident, or a part-year resident? The following will help you decide:

- **You are a full-year Oregon resident**, even if you live outside Oregon, if all of the following are true:
 - You think of Oregon as your permanent home; and
 - Oregon is the center of your financial, social, and family life; and
 - Oregon is the place you intend to come back to when you are away.

You are still a full-year resident if:

- You temporarily moved out of Oregon, or
- You moved back to Oregon after a temporary absence.

You may also be considered a full-year resident if you spent more than 200 days in Oregon during the tax year or if you are a nonresident alien.

- **You are a nonresident** if your permanent home was outside Oregon all year.
- **You are a part-year resident** if you moved into or out of Oregon during 2004. You are **not** a part-year resident if:
 - You temporarily moved out of Oregon, or
 - You moved back to Oregon after a temporary absence.

Special-case Oregon residents. You are considered a nonresident if **all** of the following are true:

- You are an Oregon resident who maintained a permanent home outside Oregon the entire year, and

- You didn't keep a home in Oregon during any part of the year, and
- You spent less than 31 days in Oregon during the year.

Note: A recreational vehicle (RV) is not considered a permanent home outside of Oregon.

Oregon residents living abroad. Generally, if you qualify for the federal earned income exclusion or housing exclusion for United States residents living abroad, you are considered a nonresident.

Filing status

Generally, you must use the same filing status for your Oregon and federal returns.

Exceptions for married persons when spouses are:

- **Full-year resident and part-year resident.** You may file separate Oregon returns. If you file separate returns for Oregon, you **must** use the married filing separately status. The full-year resident files Form 40, and the part-year resident files Form 40P. If you choose to file a joint return for Oregon, use Form 40P.
- **Full-year resident and nonresident.** You may file separate Oregon returns. If you file separate returns for Oregon, you **must** use the married filing separately status. The full-year resident files Form 40, and the nonresident files Form 40N. If you choose to file a joint return for Oregon, use Form 40N.
- **Part-year resident and nonresident.** You may file separate Oregon returns. If you file separate returns for Oregon, you **must** use the married filing separately status. The part-year resident files Form 40P, and the nonresident files Form 40N. If you choose to file a joint return for Oregon, use Form 40N.

Need more information? Visit our Web site to download the information circular, *Married Persons Filing Separate Returns*. Or, to order it, see page 40.

Military personnel

Nonresidents stationed in Oregon. Oregon does not tax your military pay while you are stationed in Oregon. File Form 40N if you or your spouse had income from other Oregon sources or to claim a refund of Oregon tax withheld from your military pay.

Residents stationed in Oregon. If you are an Oregon resident stationed in Oregon, file Form 40 from the *Full-Year Resident* tax booklet.

Residents stationed outside Oregon. If you are an Oregon resident stationed outside Oregon, you may file Form 40N if you meet the requirements for special-case Oregon residents or Oregon residents living abroad. See “Residency” on this page. File Form 40

Instructions continued on page 13

Form 40N OREGON Individual Income Tax Return 2004 FOR NONRESIDENTS

W
For office use only

Oregon resident: From mm / dd / yyyy To mm / dd / yyyy Fiscal year ending 1 2 3

Last name First name and initial Social Security No. (SSN) Date of birth (mm/dd/yyyy)
 Spouse's last name if joint return Spouse's first name and initial if joint return Spouse's SSN, if joint return Date of birth (mm/dd/yyyy)

Current mailing address Telephone number ()
 City State ZIP code Country If you filed a return last year, and your name or address is different, check here

Filing Status 1 Single
 2 Married filing jointly
 3 Married filing separately Spouse's name _____ Spouse's SSN _____
 4 Head of household Person who qualifies you _____
 5 Qualifying widow(er) with dependent child

Exemptions
 6a Yourself.....Regular Severely disabled 6a
 6b Spouse.....Regular Severely disabled b
 6c All dependents First names c
 6d Child(ren) First names d
 with a disability Total • 6e

Check all that apply → **7a** You were: 65 or older Blind Spouse was: 65 or older Blind
7b You filed an extension
7c You attached Schedule WFC-N/P
7d You filed an Oregon Form 24
7e If there is a kicker refund, you want to donate your kicker to the State School Fund

		Federal column	Oregon column
INCOME	8 Wages, salaries, and other pay for work. Staple all Forms W-2 below	8 .00	.00
	9 Taxable interest income from federal Form 1040, line 8a	9 .00	.00
	10 Dividend income from federal Form 1040, line 9a	10 .00	.00
	11 State and local income tax refunds from federal Form 1040, line 10	11 .00	.00
	12 Alimony received from federal Form 1040, line 11	12 .00	.00
	13 Business income or loss from federal Form 1040, line 12	13 .00	.00
	14 Capital gain or loss from federal Form 1040, line 13	14 .00	.00
	15 Other gains or losses from federal Form 1040, line 14	15 .00	.00
	16 IRA distributions from federal Form 1040, line 15b	16 .00	.00
	17 Pensions and annuities from federal Form 1040, line 16b	17 .00	.00
	18 Rents, royalties, partnerships, etc., from federal Form 1040, line 17	18 .00	.00
	19 Farm income or loss from federal Form 1040, line 18	19 .00	.00
	20 Unemployment and other income from federal Form 1040, lines 19 through 21	20 .00	.00
	21 Total income. Add lines 8 through 20	21a .00	•21b .00
ADJUSTMENTS TO INCOME	22 IRA or SEP and SIMPLE contributions, federal Form 1040, lines 25 and 32	22 .00	.00
	23 Education deductions from federal Form 1040, lines 23, 26, and 27	23 .00	.00
	24 Moving expenses from federal Form 1040, line 29	24 .00	.00
	25 Deduction for self-employment tax from federal Form 1040, line 30	25 .00	.00
	26 Self-employed health insurance deduction from federal Form 1040, line 31	26 .00	.00
	27 Alimony paid from federal Form 1040, line 34a	27 .00	.00
	28 Other adjustments to income. Identify	28 .00	.00
	29 Total adjustments to income. Add lines 22 through 28	29 .00	.00
	30 Income after adjustments. Line 21 minus line 29	•30a .00	•30b .00
ADDITIONS	31 Interest on state and local government bonds outside of Oregon	• 31 .00	.00
	32 Federal election on interest and dividends of a minor child	• 32 .00	.00
	33 Other additions. Identify	• 33 .00	.00
	34 Total additions. Add lines 31 through 33	34a .00	•34b .00
	35 Income after additions. Add lines 30 and 34	35a .00	•35b .00

Attach a copy of your federal Form 1040, 1040A, 1040EZ, 1040NR, or TeleFile Tax Record. Do not attach other federal schedules.

Mail **TAX-TO-PAY** returns to Oregon Department of Revenue PO Box 14555 Salem OR 97309-0940
 Mail **REFUND** returns and **NO-TAX-DUE** returns to REFUND PO Box 14700 Salem OR 97309-0930

		Federal column	Oregon column
36	Amount from front of form, line 35.....	.00	.00
SUBTRACTIONS	37 Social Security and tier 1 Railroad Retirement Board benefits included on line 20.....	.00	
	38 Other subtractions. Identify _____ ●38a	.00	.00 ●38b
	39 Income after subtractions. Line 36 minus lines 37 and 38.....	.00	.00 ●39b
	40 Oregon percentage. Line 39b ÷ line 39a (not more than 100%)..... 40 _____ %		
DEDUCTIONS AND MODIFICATIONS	41 Itemized deductions from federal Schedule A, line 28.....	.00	EITHER, NOT BOTH
	42 State income tax claimed as itemized deduction. See instructions, page 24.....	.00	
	43 Net Oregon itemized deductions. Line 41 minus line 42.....	.00	
	44 Standard deduction from page 24.....	.00	
	45 2004 federal tax liability (\$0–\$4,000; see instructions for the correct amount).....	.00	
	46 Other deductions and modifications. Identify _____ ●46	.00	
	47 Deductions and modifications × Oregon percentage. See page 26.....	.00	
	48 Deductions and modifications not multiplied by the Oregon percentage. See page 2600	
	49 Total deductions and other modifications. Add lines 47 and 48.....		.00
	50 Oregon taxable income. Line 39b minus line 49.....		.00
OREGON TAX	51 Tax from tax rate charts (see instructions, page 26).....	.00	EITHER, NOT BOTH
	52 Or, check if from: <input type="checkbox"/> Form FIA or <input type="checkbox"/> Worksheet FCG and enter tax here.....	.00	
	53 Interest on certain installment sales..... ●53 _____ .00		
	54 Total tax. Add lines 51 and 53 OR add lines 52 and 53.....		.00
CREDITS	55 Exemption credit. Line 6e × \$151 × Oregon percentage from line 40.....	.00	ADD TOGETHER
	56 Earned income credit. See instructions, page 27.....	.00	
	57 Child and dependent care credit. See instructions, page 27.....	.00	
	58 Credit for income taxes paid to another state (AZ, CA, IN, VA). Attach proof.....	.00	
	59 Other credits. Identify _____ ●59	.00	
	60 Total credits. Add lines 55 through 59.....		.00
	61 Net income tax. Line 54 minus line 60. If line 60 is more than line 54, fill in -0.....		.00
PAYMENTS, PENALTY, AND INTEREST	62 Oregon income tax withheld from income. Attach Forms W-2 and 109900	ADD TOGETHER
	63 Estimated tax payments for 2004 and payments made with your extension.....	.00	
	64 Working family child care credit from WFC-N/P, line 20... CREDIT AMOUNT → ●64 _____	.00	
	65 Total payments. Add lines 62, 63, and 64.....		.00
	66 Overpayment. Is line 61 less than line 65? If so, line 65 minus line 61.....	.00	.00
	67 Tax to pay. Is line 61 more than line 65? If so, line 61 minus line 65.....	.00	.00
	68 Penalty and interest for filing or paying late. See instructions, page 29.....	.00	ADD TOGETHER
	69 Interest on estimated tax underpayment. Attach Form 10 and check box → <input type="checkbox"/>00	
	70 Total penalty and interest due. Add lines 68 and 69.....		.00
	71 Amount you owe. Line 67 plus line 70.....	.00	.00
	72 Refund. Is line 66 more than line 70? If so, line 66 minus line 70.....	.00	.00
CHARITABLE CHECKOFFS	73 Estimated tax. Fill in the part of line 72 you want applied to 2005 estimated tax.....	.00	These will reduce your refund
	74 Oregon Nongame Wildlife..... <input type="checkbox"/> \$1 ... <input type="checkbox"/> \$5 ... <input type="checkbox"/> \$10 ... <input type="checkbox"/> Other \$.....	.00	
	75 Child Abuse Prevention..... <input type="checkbox"/> \$1 ... <input type="checkbox"/> \$5 ... <input type="checkbox"/> \$10 ... <input type="checkbox"/> Other \$.....	.00	
	76 Alzheimer's Disease Research..... <input type="checkbox"/> \$1 ... <input type="checkbox"/> \$5 ... <input type="checkbox"/> \$10 ... <input type="checkbox"/> Other \$.....	.00	
	77 Stop Domestic & Sexual Violence... <input type="checkbox"/> \$1 ... <input type="checkbox"/> \$5 ... <input type="checkbox"/> \$10 ... <input type="checkbox"/> Other \$.....	.00	
	78 AIDS/HIV Education and Services .. <input type="checkbox"/> \$1 ... <input type="checkbox"/> \$5 ... <input type="checkbox"/> \$10 ... <input type="checkbox"/> Other \$.....	.00	
	79 Other charity. Enter code ● _____, ... <input type="checkbox"/> \$1 ... <input type="checkbox"/> \$5 ... <input type="checkbox"/> \$10 ... <input type="checkbox"/> Other \$.....	.00	
	80 Total. Add lines 73 through 79. Total can't be more than your refund on line 72.....		.00
	81 NET REFUND. Line 72 minus line 80. This is your net refund.....	.00	.00
DIRECT DEPOSIT	82 For direct deposit of your refund, see the instructions on page 32.	● Type of Account: <input type="checkbox"/> Checking or <input type="checkbox"/> Savings	
	● Routing No. _____ ● Account No. _____		

Under penalties for false swearing, I declare that I have examined this return, including accompanying schedules and statements. To the best of my knowledge and belief it is true, correct, and complete. If prepared by a person other than the taxpayer, this declaration is based on all information of which the preparer has any knowledge.

I **authorize** the Department of Revenue to contact this preparer about the processing of this return.

Your signature _____ Date _____	Signature of preparer other than taxpayer _____ License No. _____
Spouse's signature (if filing jointly, BOTH must sign) _____ Date _____	Address _____ Telephone No. _____

Form **40N** **OREGON** Individual Income Tax Return **2004**
FOR NONRESIDENTS

W

For office use only

Oregon resident: From mm / dd / yyyy To mm / dd / yyyy **Fiscal year ending** 1 2 3

Last name First name and initial Social Security No. (SSN) Date of birth (mm/dd/yyyy)
 Spouse's last name if joint return Spouse's first name and initial if joint return Spouse's SSN, if joint return Date of birth (mm/dd/yyyy)

Current mailing address Telephone number ()

City State ZIP code Country If you filed a return last year, and your name or address is different, check here

Filing Status
 1 Single
 2 Married filing jointly
 3 Married filing separately Spouse's name _____ Spouse's SSN _____
 4 Head of household Person who qualifies you _____
 5 Qualifying widow(er) with dependent child

Exemptions
 6a Yourself.....Regular Severely disabled 6a
 6b Spouse.....Regular Severely disabled b
 6c All dependents First names c
 6d Child(ren) First names d
 with a **disability** **Total** • 6e

Check all that apply → **7a** • You were: 65 or older Blind Spouse was: 65 or older Blind **7b** You filed an extension **7c** You attached Schedule WFC-N/P **7d** You filed an Oregon Form 24 **7e** • If there is a kicker refund, you want to **donate your kicker** to the State School Fund

			Federal column	Oregon column
INCOME	8 Wages, salaries, and other pay for work. Staple all Forms W-2 below	8	.00	.00
	9 Taxable interest income from federal Form 1040, line 8a	9	.00	.00
	10 Dividend income from federal Form 1040, line 9a	10	.00	.00
	11 State and local income tax refunds from federal Form 1040, line 10	11	.00	.00
	12 Alimony received from federal Form 1040, line 11	12	.00	.00
	13 Business income or loss from federal Form 1040, line 12	13	.00	.00
	14 Capital gain or loss from federal Form 1040, line 13	14	.00	.00
	15 Other gains or losses from federal Form 1040, line 14	15	.00	.00
	16 IRA distributions from federal Form 1040, line 15b	16	.00	.00
	17 Pensions and annuities from federal Form 1040, line 16b	17	.00	.00
	18 Rents, royalties, partnerships, etc., from federal Form 1040, line 17	18	.00	.00
19 Farm income or loss from federal Form 1040, line 18	19	.00	.00	
20 Unemployment and other income from federal Form 1040, lines 19 through 21	20	.00	.00	
21 Total income. Add lines 8 through 20	21a	.00	.00	
ADJUSTMENTS TO INCOME	22 IRA or SEP and SIMPLE contributions, federal Form 1040, lines 25 and 32	22	.00	.00
	23 Education deductions from federal Form 1040, lines 23, 26, and 27	23	.00	.00
	24 Moving expenses from federal Form 1040, line 29	24	.00	.00
	25 Deduction for self-employment tax from federal Form 1040, line 30	25	.00	.00
	26 Self-employed health insurance deduction from federal Form 1040, line 31	26	.00	.00
	27 Alimony paid from federal Form 1040, line 34a	27	.00	.00
	28 Other adjustments to income. Identify	28	.00	.00
	29 Total adjustments to income. Add lines 22 through 28	29	.00	.00
	30 Income after adjustments. Line 21 minus line 29	•30a	.00	.00
	ADDITIONS	31 Interest on state and local government bonds outside of Oregon	• 31	.00
32 Federal election on interest and dividends of a minor child		• 32	.00	.00
33 Other additions. Identify		• 33	.00	.00
34 Total additions. Add lines 31 through 33		34a	.00	.00
35 Income after additions. Add lines 30 and 34		35a	.00	.00

Attach a copy of your federal Form 1040, 1040A, 1040EZ, 1040NR, or TeleFile Tax Record. Do not attach other federal schedules.

Mail **TAX-TO-PAY** returns to Oregon Department of Revenue PO Box 14555 Salem OR 97309-0940
 Mail **REFUND** returns and **NO-TAX-DUE** returns to REFUND PO Box 14700 Salem OR 97309-0930

Form **40P** **OREGON** Individual Income Tax Return **2004**
FOR PART-YEAR RESIDENTS

W

For office use only

Oregon resident: From mm / dd / yyyy To mm / dd / yyyy **Fiscal year ending** 1 2 3

Last name First name and initial Social Security No. (SSN) Date of birth (mm/dd/yyyy)
 Spouse's last name if joint return Spouse's first name and initial if joint return Spouse's SSN, if joint return Date of birth (mm/dd/yyyy)

Current mailing address Telephone number ()

City State ZIP code Country If you filed a return last year, and your name or address is different, check here

Filing Status
 1 Single
 2 Married filing jointly
 3 Married filing separately Spouse's name _____ Spouse's SSN _____
 4 Head of household Person who qualifies you _____
 5 Qualifying widow(er) with dependent child

Exemptions
 6a Yourself.....Regular Severely disabled 6a
 6b Spouse.....Regular Severely disabled b
 6c All dependents First names c
 6d Child(ren) First names d
 with a **disability** **Total** • 6e

Check all that apply → **7a** • You were: 65 or older Blind Spouse was: 65 or older Blind
7b You filed an extension **7c** You attached Schedule WFC-N/P **7d** You filed an Oregon Form 24 **7e** • If there is a kicker refund, you want to **donate your kicker** to the State School Fund

			Federal column	Oregon column
INCOME	8 Wages, salaries, and other pay for work. Staple all Forms W-2 below	8	.00	.00
	9 Taxable interest income from federal Form 1040, line 8a	9	.00	.00
	10 Dividend income from federal Form 1040, line 9a	10	.00	.00
	11 State and local income tax refunds from federal Form 1040, line 10	11	.00	.00
	12 Alimony received from federal Form 1040, line 11	12	.00	.00
	13 Business income or loss from federal Form 1040, line 12	13	.00	.00
	14 Capital gain or loss from federal Form 1040, line 13	14	.00	.00
	15 Other gains or losses from federal Form 1040, line 14	15	.00	.00
	16 IRA distributions from federal Form 1040, line 15b	16	.00	.00
	17 Pensions and annuities from federal Form 1040, line 16b	17	.00	.00
	18 Rents, royalties, partnerships, etc., from federal Form 1040, line 17	18	.00	.00
	19 Farm income or loss from federal Form 1040, line 18	19	.00	.00
	20 Unemployment and other income from federal Form 1040, lines 19 through 21	20	.00	.00
	21 Total income. Add lines 8 through 20	21a	.00	.00
			•21b	.00
ADJUSTMENTS TO INCOME	22 IRA or SEP and SIMPLE contributions, federal Form 1040, lines 25 and 32	22	.00	.00
	23 Education deductions from federal Form 1040, lines 23, 26, and 27	23	.00	.00
	24 Moving expenses from federal Form 1040, line 29	24	.00	.00
	25 Deduction for self-employment tax from federal Form 1040, line 30	25	.00	.00
	26 Self-employed health insurance deduction from federal Form 1040, line 31	26	.00	.00
	27 Alimony paid from federal Form 1040, line 34a	27	.00	.00
	28 Other adjustments to income. Identify	28	.00	.00
	29 Total adjustments to income. Add lines 22 through 28	29	.00	.00
	30 Income after adjustments. Line 21 minus line 29	•30a	.00	.00
			•30b	.00
ADDITIONS	31 Interest on state and local government bonds outside of Oregon	• 31	.00	.00
	32 Federal election on interest and dividends of a minor child	• 32	.00	.00
	33 Other additions. Identify	• 33	.00	.00
	34 Total additions. Add lines 31 through 33	34a	.00	.00
	35 Income after additions. Add lines 30 and 34	35a	.00	.00
			•34b	.00
			•35b	.00

Attach a copy of your federal Form 1040, 1040A, 1040EZ, 1040NR, or TeleFile Tax Record. Do not attach other federal schedules.

Mail **TAX-TO-PAY** returns to Oregon Department of Revenue PO Box 14555 Salem OR 97309-0940
 Mail **REFUND** returns and **NO-TAX-DUE** returns to REFUND PO Box 14700 Salem OR 97309-0930

Form **40P** **OREGON** Individual Income Tax Return **2004**
FOR PART-YEAR RESIDENTS

W

For office use only

Oregon resident: From mm / dd / yyyy To mm / dd / yyyy **Fiscal year ending** 1 2 3

Last name First name and initial Social Security No. (SSN) Date of birth (mm/dd/yyyy)
 Spouse's last name if joint return Spouse's first name and initial if joint return Spouse's SSN, if joint return Date of birth (mm/dd/yyyy)

Current mailing address Telephone number ()

City State ZIP code Country If you filed a return last year, and your name or address is different, check here

Filing Status
 1 Single
 2 Married filing jointly
 3 Married filing separately Spouse's name _____ Spouse's SSN _____
 4 Head of household Person who qualifies you _____
 5 Qualifying widow(er) with dependent child

Exemptions
 6a Yourself.....Regular Severely disabled 6a
 6b Spouse.....Regular Severely disabled b
 6c All dependents First names c
 6d Child(ren) First names d
 with a **disability** **Total** • 6e

Check all that apply → **7a** • You were: 65 or older Blind Spouse was: 65 or older Blind **7b** You filed an extension **7c** You attached Schedule WFC-N/P **7d** You filed an Oregon Form 24 **7e** • If there is a kicker refund, you want to **donate your kicker** to the State School Fund

		Federal column	Oregon column
INCOME	8 Wages, salaries, and other pay for work. Staple all Forms W-2 below	8 .00	.00
	9 Taxable interest income from federal Form 1040, line 8a	9 .00	.00
	10 Dividend income from federal Form 1040, line 9a	10 .00	.00
	11 State and local income tax refunds from federal Form 1040, line 10	11 .00	.00
	12 Alimony received from federal Form 1040, line 11	12 .00	.00
	13 Business income or loss from federal Form 1040, line 12	13 .00	.00
	14 Capital gain or loss from federal Form 1040, line 13	14 .00	.00
	15 Other gains or losses from federal Form 1040, line 14	15 .00	.00
	16 IRA distributions from federal Form 1040, line 15b	16 .00	.00
	17 Pensions and annuities from federal Form 1040, line 16b	17 .00	.00
	18 Rents, royalties, partnerships, etc., from federal Form 1040, line 17	18 .00	.00
	19 Farm income or loss from federal Form 1040, line 18	19 .00	.00
	20 Unemployment and other income from federal Form 1040, lines 19 through 21	20 .00	.00
	21 Total income. Add lines 8 through 20	21a .00	•21b .00
ADJUSTMENTS TO INCOME	22 IRA or SEP and SIMPLE contributions, federal Form 1040, lines 25 and 32	22 .00	.00
	23 Education deductions from federal Form 1040, lines 23, 26, and 27	23 .00	.00
	24 Moving expenses from federal Form 1040, line 29	24 .00	.00
	25 Deduction for self-employment tax from federal Form 1040, line 30	25 .00	.00
	26 Self-employed health insurance deduction from federal Form 1040, line 31	26 .00	.00
	27 Alimony paid from federal Form 1040, line 34a	27 .00	.00
	28 Other adjustments to income. Identify	28 .00	.00
	29 Total adjustments to income. Add lines 22 through 28	29 .00	.00
	30 Income after adjustments. Line 21 minus line 29	•30a .00	•30b .00
ADDITIONS	31 Interest on state and local government bonds outside of Oregon	• 31 .00	.00
	32 Federal election on interest and dividends of a minor child	• 32 .00	.00
	33 Other additions. Identify	• 33 .00	.00
	34 Total additions. Add lines 31 through 33	34a .00	•34b .00
	35 Income after additions. Add lines 30 and 34	35a .00	•35b .00

Attach a copy of your federal Form 1040, 1040A, 1040EZ, 1040NR, or TeleFile Tax Record. Do not attach other federal schedules.

Mail **TAX-TO-PAY** returns to Oregon Department of Revenue PO Box 14555 Salem OR 97309-0940
 Mail **REFUND** returns and **NO-TAX-DUE** returns to REFUND PO Box 14700 Salem OR 97309-0930

from the *Full-Year Resident* tax booklet if you don't meet the listed requirements.

Military Family Tax Relief Act. Oregon has not adopted all of the provisions of this act. Contact us for more information. See page 40.

Need more information? Visit our Web site to download the information circular, *Military Personnel Filing Information*. Or, to order it, see page 40.

Filing for a deceased person

You must file a final return for a person who died during the calendar year if a return normally would be required. See "Should I file an Oregon return?" on page 3 to determine if a return must be filed.

If you are filing a return and claiming a refund for someone who is now deceased, file Form 243, *Claim to Refund Due a Deceased Person*, with the return. This will allow us to issue the refund check in your name. Visit our Web site to download the form. Or, contact us to order it. See page 40. If you are a court-appointed or certified personal representative, Form 243 is not needed.

What form do I use?

Use Form 40N if any ONE of the following is true:

- You are a nonresident, or
- You are a special-case Oregon resident (see "Special-case Oregon residents" on page 4), or
- You and your spouse are filing jointly and one (or both) of you is a nonresident, or
- You meet the military personnel nonresident requirements explained on page 4, or
- You qualified as an Oregon resident living abroad for the entire year.

Use Form 40P if any ONE of the following is true:

- You are a part-year resident, or
- You are filing jointly and one spouse is a full-year Oregon resident and one is a part-year resident, or
- You are filing jointly and both spouses are part-year Oregon residents, or
- You qualified as an Oregon resident living abroad for part of the year.

Use Form 40 or 40S if any ONE of the following is true:

- You are a full-year resident, or
- You and your spouse are both full-year residents filing jointly.

Forms 40 and 40S are available on our Web site and at many post offices, banks, and libraries in Oregon and southwest Washington. To order Forms 40S and 40 and instructions, see page 40.

When should I file my return?

The filing deadline for calendar year 2004 is **April 15, 2005**. If you cannot pay all of your tax by the due date, file your return anyway to avoid a late-filing penalty. Payment plans are available. Contact the department to make payment arrangements. See page 40.

Returns for other tax periods are due by the 15th day of the fourth month after the close of your tax year.

What if I need more time to file?

Generally, Oregon allows you the same extension you have for your federal return. However, in some cases, you will need to file the **Oregon extension form**, Form 40-EXT. Visit our Web site to download the form. Or, to order it, see page 40. The following will help you decide when you need to file Oregon Form 40-EXT:

- If you filed a federal extension, Form 4868, and you expect to get a refund for Oregon:
 - You do not need to file Form 40-EXT.
 - Check box 7b on Form 40N or Form 40P when you file your return.
 - Keep a copy of your federal extension in your records. You are not required to send us a copy.
- If you did not file a federal extension but need more time to file for **Oregon only** and you expect an Oregon refund:
 - File Oregon Form 40-EXT. Enter -0- in the payment amount box on Form 40-V, *Oregon Income Tax Payment Voucher*. Mail the entire Form 40-EXT to: Extension Clerk, Oregon Department of Revenue, PO Box 14950, Salem OR 97309-0980.
 - Check box 7b on Form 40N or Form 40P when you file your return.
 - Keep a copy of Form 40-EXT in your records.
- If you need more time to file for Oregon and you need to make a tax payment to Oregon:
 - Complete the tax payment worksheet on Form 40-EXT. Fill out and detach Form 40-V, *Oregon Income Tax Payment Voucher*. Send the payment voucher and your check or money order by April 15, 2005, to: Extension Clerk, Oregon Department of Revenue, PO Box 14950, Salem OR 97309-0980. If paying by credit card, write "credit card payment" on your voucher and mail the voucher to the address above.
 - Check box 7b on Form 40N or Form 40P when you file your return.
 - Keep a copy of Form 40-EXT in your records.

An extension does not mean more time to pay!

You must pay any tax you expect to owe when you file your extension. If you do not pay all the tax due with your extension, you will owe interest on the unpaid balance after April 15, 2005, until the date of your pay-

ment. The 2005 interest rate is 5 percent per year. If the tax is not paid within 60 days of our bill, the interest rate increases to 9 percent per year. You also may owe a late-payment penalty.

Were you stationed in a designated combat zone?

Did you receive additional time to file your 2004 federal return and pay your 2004 tax? If so, Oregon allows the same additional time to file and pay. Write "combat zone" in blue or black ink at the top of your return when you file it. Contact the department if you were stationed in a contingency area. Or, visit our Web site for more information.

Penalties

You will owe a 5 percent late-payment penalty on any 2004 tax not paid by April 15, 2005.

If you file more than three months after the due date or extension due date, a 20 percent late-filing penalty will be added; that is, you will owe a total penalty of 25 percent of any tax not paid.

There is an exception to paying penalty. For line 68 instructions, see page 29.

A 100 percent penalty is charged if you do not file a return for **three consecutive years** by the due date of the third year including extensions. The penalty is 100 percent of the unpaid tax for each of the three years.

Interest on underpayment of estimated tax

You may owe interest on underpayment of estimated tax if:

- You owe \$1,000 or more on your return after credits and withholding; and
- You paid less than 90 percent of the tax due on each estimated tax payment date for 2004.

For line 69 instructions, see page 30.

2005 estimated tax

Estimated tax is the amount of tax you expect to owe after credits and Oregon tax withheld when you file your 2005 Oregon individual income tax return.

Oregon estimated tax laws are not the same as federal estimated tax laws. Use Oregon instructions to determine if you need to make estimated tax payments for 2005.

Who must make estimated tax payments?

In most cases, **people who expect to owe \$1,000 or more** on their 2005 Oregon income tax return after credits and withholding must make estimated payments. You may need to make estimated payments if:

- You are self-employed and don't have Oregon tax withheld from your income.

- You received Oregon Lottery single ticket winnings under \$5,000. (Note: Single ticket winnings of \$5,000 or more are subject to Oregon withholding.)
- You receive income such as pensions, interest, or dividends, and Oregon tax is not withheld.
- You are a wage earner and expect to owe tax of \$1,000 or more on your 2005 return. You may want to increase the amount your employer withholds from your Oregon wages. If you and your spouse both work, visit our Web site to download the information circular, *Oregon Income Tax Withholding: Some Special Cases*. Or, contact us to order it. See page 40.

When do I pay?

The due dates are April 15, 2005*; June 15, 2005; September 15, 2005; and January 17, 2006.

Send your payment with Form 40-V, *Oregon Income Tax Payment Voucher*. If paying by credit card, do not use Form 40-V. Visit our Web site to download the form and the information circular, *Estimated Income Tax*. Or, to order them, see page 40.

* Please send your 2005 estimated tax payment and Oregon Form 40-V in a different envelope from your 2004 Oregon income tax return. This will help us credit your payment more efficiently.

What if I am self-employed?

If you are self-employed and do business in Multnomah, Clackamas, or Washington counties, you may also need to file Form TM, *TriMet Self-Employment Tax Return*. If you are self-employed and do business in Lane County, you may need to file Form LTD, *Lane Transit District Self-Employment Tax Return*. Visit our Web site to download the forms. Or, to order, see page 40.

Frequently asked questions

Is my tax return private information?

Yes. All information provided on the return is confidential. Any Oregon Department of Revenue employee who gives out unauthorized information about your return may be convicted of a class C felony.

I'm getting an income tax refund this year. How long will it take to process my refund?

After the processing of part-year and nonresident returns begins on March 1, allow:

- E-file return (before August 1) up to 2 weeks
- E-file return (on or after August 1) up to 5 weeks
- Mail return (before April 1) up to 8 weeks
- Mail return (on or after April 1) up to 12 weeks

Your refund may be delayed if your return needs further review.

I'm moving. Will my refund check be forwarded to me?

Yes. If you move after you mail your return, let us know your new address. You can download a change of address form from our Web site. Or, you can contact the department to order the form. See page 40. Remember to file a change of address form at your local post office.

What tax records do I need to keep?

You need to keep:

- A complete copy of both your federal and state returns, even if you use a tax practitioner or file electronically.
- The original of all receipts, canceled checks, statements, and other records you used to prepare your return. **Save these records for at least three years from the due date of the return or three years from the date you file your return, whichever is later.** If your return is audited, the law says you must show proof of your income and expenses.
- All records from the sale, purchase, or exchange of property and investments. Keep these records for at least three years after you report the gain or loss on the property or investment.

Visit our Web site to download the information circular, *Record-Keeping Requirements*. Or, to order it, see page 40.

What if I need to change my Oregon return after filing?

File an amended return anytime you need to correct your Oregon return. Use Form 40P to correct a part-year resident return or Form 40N to correct a nonresi-

dent return. Write "Amended" in blue or black ink at the top of the form. Generally, you are allowed three years from the due date of the return or the date the return was filed, whichever is later, to file an amended return to claim a refund. If you amend your federal or another state's return, usually you will need to amend your Oregon return. Please contact us for more information. See page 40.

What if I'm audited by the IRS or another state?

If changes are made that increase your Oregon income tax, file an amended return to report and pay additional tax. If the changes reduce Oregon tax, you have two years from the date of the audit report to claim a refund.

Direct deposit

The Department of Revenue can deposit your refund directly into your account at most banks or other financial institutions. If you choose direct deposit, contact your bank to make sure that your deposit will be accepted and to get your correct routing and account numbers. The Department of Revenue is not responsible if your bank rejects your deposit. We will issue you a paper check if your bank rejects your direct deposit. For more information, see page 32.

Blue or black ink

Please use blue or black ink for easier reading and faster processing. Equipment used to scan documents cannot read certain colors of ink, especially red. Thank you.

Instructions for Forms 40N and 40P

Step 1: Select the appropriate form

To decide whether to use Form 40N or 40P, see page 13.

Step 2: Fill out your federal form

Your Oregon tax is determined using the ratio of your Oregon-related income to your entire federal income. **Fill out your federal return first**, then your Oregon return. You must attach a copy (front and back) of your federal Form 1040, 1040A, 1040EZ, or 1040NR, or TeleFile Tax Record to your Oregon tax return. **Don't attach** federal Schedule A, B, C, or D, or Form 2441, etc.

Step 3: Start the Oregon form

Residency

Enter the dates you were an Oregon resident during 2004. For example, "01/01/2004 to 06/30/2004," or "07/01/2004 to 12/31/2004."

Fiscal year filers

Write the ending date of your fiscal year in the space provided. Write "Fiscal year" at the top of the return. Please use **blue or black ink**.

Name and address

Please type or clearly print your name, address, telephone number, and correct Social Security number on your return.

Social Security number (SSN). The request for your SSN is authorized by Section 405, Title 42, of the United States Code. You must provide this information. It will be used to establish your identity for tax purposes only.

Individual Taxpayer Identification Number (ITIN). If the IRS has issued you an ITIN because you do not have a Social Security number, enter your ITIN on your Oregon tax return wherever your SSN is requested. If you

do not have an ITIN, you need to request one from the IRS. Do not attach your ITIN application (federal Form W-7) to your Oregon tax return. Please write "ITIN applied for" on the top of your Oregon return and file the return by April 15, 2005. For a copy of Form W-7, visit the IRS Web site at www.irs.gov. Or, call the IRS at 1-800-829-1040.

Date of birth. Enter the month, day, and year you were born. For example, "10/27/1963."

Check the boxes

Filing status

1 – **5** Check the box next to your filing status. If filing as **head of household**, enter the name of the person who qualifies you for head of household filing status next to box 4.

You must check the **same filing status** you checked on your federal return. **Exception:** If you and your spouse do not have the same residency status, you may file separate returns for Oregon even if you filed your federal return as married filing jointly. To determine which form to use based on the filing status you choose for Oregon, see page 4.

How to file separate returns for Oregon

If you are **married filing separately** (MFS), enter your spouse's first name, last name (first four letters only), and Social Security number next to box 3. Do not fill in your spouse's name or Social Security number in the heading of the return.

If you **file separate returns for Oregon only**, report your own share of federal adjusted gross income (AGI) and deductions. Also, report your share of any Oregon additions or subtractions. To figure your share of the federal tax subtraction or itemized deductions, determine your federal AGI and use the following formula:

$$\frac{\text{Your share of federal AGI}}{\text{Joint federal AGI}} = \text{Your percentage (not to exceed 100\%)}$$

Write "MFS for Oregon only" at the top of the form in **blue or black** ink. Attach the following to both Oregon returns:

- A federal Form 1040, 1040A, 1040NR, or 1040EZ prepared **as if** you had filed married filing separately; and
- A copy of the joint Form 1040, 1040A, 1040NR, or 1040EZ you **actually** filed.

If possible, mail both spouses' Oregon returns in the same envelope. **Do not** staple the returns together.

Visit our Web site to download the information circular, *Married Persons Filing Separate Returns*. Or, to order it, see page 40.

Exemptions

6a & 6b Yourself and spouse. Check "Yourself" and other boxes that apply. If someone else can claim you as a dependent, you can't claim an exemption for yourself; enter -0- in the total box on 6a unless you have a severe disability.

Severely disabled. Did you have a severe disability at the end of 2004? If so, you may claim an additional exemption credit. You may qualify for the severely disabled exemption even if someone else can claim you as a dependent. You are considered to have a severe disability if **any** of the following apply:

- You permanently lost the use of one or both feet, or
- You permanently lost the use of both hands, or
- You are permanently blind, or
- You have a permanent condition that, without special equipment or outside help, limits your ability to:
 - Earn a living, or
 - Maintain a household, or
 - Transport yourself.

Special equipment doesn't include items such as glasses, contact lenses, ordinary crutches, or hearing aids.

You don't qualify for this exemption if:

- You have a temporary disability from an injury or illness and are expected to recover, or
- Your condition keeps you from doing your former work but does not prevent you from doing other kinds of work without special equipment.

If you have a permanent severe disability, your physician must write a letter describing your disability. Keep the letter with your permanent health records.

If you qualify, check the "Severely disabled" exemption box. If your spouse qualifies, he or she may also claim this exemption. You and your spouse may also qualify for the loss of use of limbs credit. Call the department for more information. See page 40.

6c All dependents. Enter the number of your dependents in box 6c. Fill in their first names on the line. In most cases, you must claim the same dependents claimed on your federal return.

6d Child(ren) with a disability. You may be entitled to an additional personal exemption for your dependent child who has a qualifying disability. To qualify, **all** of the following must be true. Your child:

- Qualified as your dependent for 2004; and
- Was age 17 or younger on December 31, 2004; and
- Was eligible for "early intervention services" or received special education as defined by the Oregon Department of Education (learning disabilities or communication disorders alone don't qualify); and

- Was considered to have a disability as of December 31, 2004, under the federal Individuals with Disabilities Education Act and related Oregon laws. Eligible disabilities include:

- Autism.
- Deaf-blind.
- Hearing impairment.
- Mental retardation.
- Multiple disabilities.
- Orthopedic impairment.
- Other health impairment.
- Serious emotional disturbance.
- Traumatic brain injury.
- Visual impairment.

Get a statement of eligibility that confirms one of the disabilities listed above and the cover sheet from **one** of the following:

- The child's Oregon Individualized Education Program (IEP), or
- The child's Oregon Individualized Family Service Plan (IFSP).

Keep the statement and cover sheet with your permanent health records. Write your child's name on line 6d, "Child(ren) with a disability." Also be sure to include the child's name on line 6c for "All dependents."

7a Age 65 or older, or blind. Check the boxes on line 7a if you or your spouse were age 65 or older or were blind on December 31, 2004. You are entitled to a larger standard deduction on Form 40N, line 44; or Form 40P, line 45.

If you or your spouse are blind, you may also qualify for the severely disabled exemption credit. For box 6a and 6b instructions, see page 16.

7b Extension. If you filed an extension of time to file, check box 7b. For more information, see page 13.

7c Schedule WFC-N/P. If you are claiming the Oregon working family child care credit, you must attach Schedule WFC-N/P to your return. Check box 7c on Form 40N or Form 40P. For more information, see page 34.

7d Oregon Form 24. Did you file federal Form 8824 because you are deferring gain on exchanged property? If so, check the box on line 7d. Also, complete and attach Form 24, *Oregon Like-Kind Exchanges/Involuntary Conversions*. Download it from our Web site or to order the form, see page 40.

7e State School Fund. If there is a kicker refund, do you wish to donate your kicker refund to the State School Fund? If so, check box 7e. The fund is used for public elementary and secondary education. The kicker amount, if any, will be determined in the fall of

2005. If you check the box, any kicker refund that you would have received in 2005 based on your 2004 Oregon income tax will be sent directly to the State School Fund. **If you check the box, you cannot change your decision for the 2004 tax year.**

Step 4: Line instructions

The following instructions are for Form 40N or 40P, lines 8–82, if not fully explained on the form.

Do not fill in cents. You **must** round off cents to the nearest whole dollar. For example, \$12.49 becomes \$12 and \$233.50 becomes \$234.

The forms have two columns for figures. These columns are used to compare the portion of your federal adjusted gross income that Oregon taxes to your total federal adjusted gross income.

Federal column—Income section

The first column is labeled "Federal column." In this column, lines 8–28, fill in the same amounts you reported on your federal return.

Line 30a, "Income after adjustments," must match your 2004 federal adjusted gross income from federal Form 1040, line 36; Form 1040A, line 21; Form 1040EZ, line 4; Form 1040NR, line 34; or TeleFile Tax Record, line I. If it does not match, please check that you transferred your federal figures correctly. If you need help, please contact us. See page 40.

Oregon column—Income section

The second column is labeled "Oregon column." Use the Oregon column to list the amounts from the federal column that Oregon taxes.

Nonresidents. Oregon taxes only your income from **Oregon sources**. To compute your Oregon source income, see "What does income from Oregon sources include?" on page 3.

Part-year residents. Oregon taxes your income from **all sources** earned or received while you were an Oregon resident. Oregon also taxes your income from **Oregon sources** while you were a nonresident. To compute your Oregon source income, see "What does income from Oregon sources include?" on page 3.

Full-year residents. Oregon taxes your income from **all sources**. All amounts included in the federal column should also be included in the Oregon column.

8 Wages, salaries, and other pay for work. Part-year residents—fill in amounts you earned while an Oregon resident and any amounts you earned working in Oregon while you were a nonresident.

Full-year residents—fill in all income included in the federal column.

Nonresidents—fill in the amount earned while working in Oregon. If that amount differs from the Oregon wages on your W-2 form, you must attach an explanation from your employer to the back of your return. If your Oregon wages are not stated separately on your W-2, compute your Oregon source income using the following formula:

$$\frac{\text{Days actually worked in Oregon}}{\text{Days actually worked everywhere}} \times \frac{\text{Total wages}}{\text{wages}} = \frac{\text{Oregon wages}}{\text{wages}}$$

Do not include holidays, vacation days, and sick days as days actually worked. **However, you must** include sick *pay*, holiday *pay*, and vacation *pay* in total wages. See the example on page 3. If Oregon is the only state you worked in, do not use this formula; all of your earnings are taxable and should be reported in the Oregon column.

Exceptions:

- If you are a nonresident with interstate transportation wages, you may qualify for special treatment under the Amtrak Act. Visit our Web site to download the information circular, *Amtrak Act (Interstate Transportation Wages)*. Or, to order it, see page 40.
- Nonresidents who work on Bonneville, The Dalles, John Day, or McNary dams should exclude this income from the Oregon column. Write the name of the dam you work on at the top left corner of the return. Please use **blue or black ink**.
- Nonresidents who work as crew or pilots on a vessel on the Columbia River or Snake River waterway should exclude this income from the Oregon column. Write “Waterway” at the top left corner of the return. Please use **blue or black ink**.
- Nonresident members of the U.S. Armed Forces stationed in Oregon should exclude their military pay from the Oregon column. Military pay of a nonresident is not Oregon source income. Do not report it in the Oregon column on line 8. Write “Military nonresident” at the top left corner of the return. Please use **blue or black ink**.

9 Taxable interest income. Determine the amount of interest income you received while you were a nonresident on funds used for business activity in Oregon. Add to that any interest included on your federal return that you received during the part of the year you were an Oregon resident.

10 Dividend income. Determine the amount of dividends received from an Oregon business activity source while you were a nonresident. This includes dividends passed through to you from an S corporation or partnership doing business in Oregon. These are dividends your S corporation or partnership received on the stock of another corporation. Add to that any dividend income included on your federal re-

turn that you received during the part of the year you were an Oregon resident.

11 State and local income tax refunds. Fill in the amount reported on your federal return that is:

- A refund from Oregon or any other state or locality for which you claimed a deduction on an Oregon return in a prior year, or
- A refund received during the part of the year you were an Oregon resident.

12 Alimony received. Fill in alimony you received for the part of the year you were an Oregon resident.

13 Business income or loss. For the part of the year you were a nonresident, determine the amount of income or loss from an Oregon business activity. Add to that all business income or losses incurred for the part of the year you were a resident of Oregon.

14 Capital gain or loss. For the part of the year you were a nonresident, determine the amount of gain or loss from Oregon sources and capital gain distributions from Oregon sources. Add to that the amount of your capital gains and losses received during the part of the year you were an Oregon resident. Limit losses to \$3,000 (\$1,500 if married filing separately).

15 Other gains or losses. For the part of the year you were a nonresident, determine the amount of gain or loss from Oregon sources. Add to that the gain received or loss incurred for the part of the year you were an Oregon resident.

16 IRA distributions. Determine the amount of any taxable individual retirement arrangement (IRA) distributions received for the part of the year you were an Oregon resident. Include any amounts you converted from a regular IRA into a Roth IRA while you lived in Oregon. If you lived in another state when you made contributions to your IRA, you may need more information. For taxpayer assistance, see page 40.

17 Pensions and annuities. Report in the Oregon column the amount of taxable pensions and annuities (including federal pensions) you received while you were an Oregon resident. If you are domiciled in Oregon, you must also include any Oregon source pensions you received. This is true even though you may qualify as a nonresident under the special-case Oregon resident or Oregon resident living abroad tests. See page 4.

For example, if you lived in Oregon before you retired **and have not changed your permanent home to another state**, you must report the pension you earned while you worked in Oregon. If you receive a federal pension, you may qualify for a subtraction on line 38. For instructions, see page 21. If you need help, please contact us. See page 40.

18 Rents, royalties, partnerships, limited liability companies, real estate investment trusts (REITs), estates, trusts, etc., from federal Schedule E. Determine the amount of income you received from Oregon sources during the part of the year you were not a resident. Add to that the amount received during the part of the year you were an Oregon resident. Partners and S corporation shareholders may need more information. For taxpayer assistance, see page 40.

19 Farm income or loss. Determine the amount of income or loss received from an Oregon farm while you were a nonresident. Add to that the amount of farm income or loss received during the part of the year you were an Oregon resident.

20 Unemployment compensation, taxable Social Security, and all other taxable income. Determine the amount of any unemployment compensation and any other taxable income you received during the part of the year you were an Oregon resident. Add to that figure any unemployment compensation or severance pay received because of an Oregon job and any other Oregon income you received while you were a nonresident. Don't fill in any Social Security, Railroad Retirement Board benefits, or Railroad Retirement Board unemployment benefits in the Oregon column; Oregon doesn't tax this income.

Include in the Oregon column all payments received from the Oregon Lottery. Oregon Lottery includes Powerball tickets you purchased in Oregon. To determine whether you can subtract some or all of this amount on line 38, see "Oregon Lottery winnings" on page 22.

Adjustments to income

22 IRA or self-employed SEP and SIMPLE contributions. Oregon follows the federal definition of earned income and compensation used to calculate your IRA and other retirement plan deductions. Determine the amount you paid during the part of the year you were an Oregon resident. Add to that the amount calculated for the time you were a nonresident.

- **IRA.** For the part of the year you were a nonresident, determine your deduction using the following formula:

$$\frac{\text{Oregon compensation while a nonresident}}{\text{Total compensation while a nonresident}} \times \text{IRA contributions made while a nonresident} = \text{Nonresident deduction}$$

This deduction cannot be more than the amount of Oregon compensation included in the Oregon column.

- **Self-employed SEP, SIMPLE, and qualified plans.** For the part of the year you were a nonresident,

determine your allowable deduction using the following formula:

$$\frac{\text{Oregon earned income while a nonresident}}{\text{Total earned income while a nonresident}} \times \text{Contributions made while a nonresident} = \text{Nonresident deduction}$$

This deduction cannot be more than the amount of earned income included in the Oregon column.

23 Education deductions. See the instructions below to help you figure the amounts you can claim on your Oregon return.

- **Educator expenses deduction** from federal Form 1040, line 23; or Form 1040A, line 16. Visit our Web site or contact us for more information. See page 40.
- **Student loan interest deduction** from federal Form 1040, line 26; or Form 1040A, line 18.

For any part of the year you were a nonresident, calculate your deduction using the following formula:

$$\frac{\text{Oregon source income while a nonresident}}{\text{Total income from all sources while a nonresident}} \times \text{Student loan interest paid while a nonresident} = \text{Nonresident deduction}$$

Add to that all interest paid during the part of the year you were an Oregon resident. Enter the smaller of the result or the amount deducted on your federal return.

- **Tuition and fees deduction** from federal Form 1040, line 27; or Form 1040A, line 19.

For any part of the year you were a nonresident, calculate your deduction using the following formula:

$$\frac{\text{Oregon source income while a nonresident}}{\text{Total income while a nonresident}} \times \text{Qualified tuition and fees paid while a nonresident} = \text{Nonresident deduction}$$

Add to that the amount of qualified education expenses you paid during the part of the year you were an Oregon resident. Enter the smaller of the result or the amount deducted on your federal return, but no more than \$4,000.

Add together your student loan interest deduction and tuition and fees deduction. Enter the total on line 23. If you were not allowed a federal tuition and fees deduction because you claimed the federal credit, do not claim a tuition and fees deduction on line 23. You may be entitled to a subtraction on line 38. See page 23.

24 Moving expenses. Fill in moving expenses only if:

- You qualified to take them on your federal return, and
- They are connected with gaining employment in Oregon, or

- You paid the qualified moving expenses after moving to Oregon to take a job in another state.

Otherwise, enter -0-.

Example 1: If you moved from California to Washington to take a job in Oregon, fill in your allowable moving expenses in the Oregon column.

Example 2: If you left Oregon to take a job in another state, you cannot deduct your moving expenses.

Example 3: Camille moved from Michigan to Oregon on May 23, 2004, to begin work in Washington. She paid her moving expenses on June 30, 2004. While the expenses are not related to Oregon employment, Camille can deduct them because they were paid after she became a resident of Oregon.

25 Deduction for self-employment tax. Determine the amount of your self-employment tax on earnings taxed by Oregon using the following formula:

$$\frac{\text{Self-employment earnings taxed by Oregon}}{\text{Total self-employment earnings}} \times \text{Federal deduction for self-employment tax} = \text{Oregon deduction}$$

The Oregon deduction cannot be more than the federal deduction.

26 Self-employed health insurance deduction. Oregon allows a deduction for 100 percent of your health insurance premiums related to your self-employment for the part of the year you were an Oregon resident. Add to that the health insurance premiums paid by your Oregon business while a nonresident. Your total Oregon deduction cannot be more than your federal deduction.

27 Alimony paid. Determine if the alimony you paid is taxable (for federal purposes) to your former spouse. If so, for the part of the year you were not an Oregon resident, figure the Oregon deduction as follows:

$$\frac{\text{Oregon source income while a nonresident}}{\text{Total income while a nonresident}} \times \text{Alimony paid while a nonresident} = \text{Nonresident deduction}$$

Add to that amount the alimony you paid while you were a resident.

28 Other adjustments to income. In the federal column of line 28, include any of the other adjustments listed below that you claimed on your federal return. In the Oregon column of line 28, enter the amount of other adjustments you are entitled to claim on your Oregon return. Use the numeric code shown in brackets to identify the deduction(s). For example, if for Oregon purposes you are claiming a \$500 health savings account deduction, enter "003-\$500" in the space provided and enter "\$500" in the Oregon column of line 28.

- Certain business expenses of reservists, performing artists, and fee-basis government officials from federal Form 1040, line 24 [code 002].
- Health savings account deduction from federal Form 1040, line 28 [code 003].
- Penalty on early withdrawal of savings from federal Form 1040, line 33 [code 004].
- Any other adjustment to income reported on federal Form 1040, line 35 [code 005].

Did you deduct military travel expenses on line 24 of your federal Form 1040? If so, you will have an addition on your Oregon return because Oregon is not tied to this provision of the federal Military Family Tax Relief Act. See line 33 instructions on this page. Visit our Web site or contact the department for more information. See page 40.

Additions

Generally, additions are items the federal government does not tax but Oregon does. Additions increase the income taxed by Oregon.

31 Interest and dividends on state and local government bonds outside of Oregon.

Federal column. If you didn't include this income in your federal income, fill in the amount of interest and dividends you received from state and local governments outside of Oregon.

Oregon column. Nonresidents—don't fill in any amount. **Full-year and part-year residents**—if you didn't include this income on line 9 or 10 of the Oregon column, fill in the amount of interest and dividends you received from state and local governments outside of Oregon while you were an Oregon resident.

32 Federal election on interest and dividends of a minor child. Did you report interest or dividends of your minor child on your federal return? If so, you must add to Oregon income the amount that is subject to the special federal tax.

Federal column. Fill in the smaller of line 7 or 8 from federal Form 8814. Add to that any interest or dividends your child received from state and local governments outside of Oregon.

Oregon column. Nonresidents—don't fill in any amount. **Full-year and part-year residents**—fill in interest and dividends received while the minor child was an Oregon resident. Include interest and dividends from state and local governments other than Oregon that your child received while an Oregon resident.

33 Other additions. You may need to report one or more other additions explained below. Please identify the addition(s) in the space on line 33 using the numeric code shown in brackets. For example, if you are reporting a \$1,000 addition for a depreciation

difference for Oregon, enter "101-\$1,000" in the space provided. If you have more than one addition, show the type and amount of each on the form. Fill in the total amount of "other additions" on line 33.

- **Depreciation difference for Oregon [code 101].** Is your depreciation for Oregon purposes different from your depreciation for federal purposes? If so, you will need the Oregon Depreciation Schedule. Part-year residents and nonresidents may need two schedules. Download the schedule from our Web site. Or, to order it, see page 40.
- The following additions apply to only a few people and are not explained in this booklet. Make the additions in **both** the federal and Oregon columns. For taxpayer assistance, see page 40.
 - Child Care Fund contributions [code 123].
 - Claim of right [code 103].
 - Depletion in excess of property basis [code 104].
 - Disposition of inherited Oregon farmland or forestland [code 106].
 - Fiduciary adjustments from Oregon estates and simple or complex trusts [code 100].
 - Gain or loss on the sale of depreciable property with an Oregon basis that is different from the federal basis [code 111].
 - Individual Development Account [code 113].
 - Long-term care insurance premiums [code 114].
 - Lump-sum distributions [code 115].
 - Military Family Tax Relief Act provisions [code 102].
 - Non-Oregon source net operating loss [code 116].
 - Non-qualified withdrawal from an Oregon 529 College Savings Network account [code 117].
 - Oregon Cultural Trust [code 124].
 - Passive activity losses [code 120].
 - Unused business credit [code 122].

Subtractions

Generally, subtractions are items the federal government taxes but Oregon does not. Subtractions reduce the income taxed by Oregon.

37 Social Security and tier 1 Railroad Retirement Board benefits. Subtract Social Security and tier 1 Railroad Retirement Board benefits **only** if you included them in the federal column on line 20.

38 Other subtractions. You may qualify for one or more other subtractions explained below. Please identify the subtraction(s) in the space on line 38 using the numeric code shown in brackets. For example, if you are subtracting \$2,000 in military pay, enter "319-\$2,000" in the space provided. If you have more than one subtraction, show the type and amount of each on the form. Fill in the total amount of "other subtractions" on line 38.

- **Claim of right [code 302].** Were you taxed in a prior year on income that you are repaying, such as unemployment compensation? If so, you may be able to subtract the income you repaid. Contact the department for more information. See page 40.
- **Depreciation difference for Oregon [code 304].** Is your depreciation for Oregon purposes different from your depreciation for federal purposes? If so, you will need the Oregon Depreciation Schedule. Part-year residents and nonresidents may need two schedules. Download the schedule from our Web site. Or, to order it, see page 40.
- **Federal pension income [code 307].** You may be able to subtract some or all of your pension included in 2004 federal income. This includes benefits paid to the retiree or to the beneficiary. The subtraction amount is based on the number of months of federal service before and after October 1, 1991:
 - **If all of your months of federal service were before October 1, 1991,** subtract 100 percent of the taxable amount of federal pension income you reported on your federal return.
 - **If you have no months of service before October 1, 1991,** you cannot subtract any federal pension.
 - **If your service was both before and after October 1, 1991,** you will subtract a percentage of the taxable federal pension income you reported on your federal return. To determine your percentage, divide your months of service before October 1, 1991, by your total months of service. Once you have determined the percentage, it will not change from year to year.

Example: Delaney began working for the U.S. Forest Service May 27, 1971, and retired January 7, 2004. She worked 244 months before October 1, 1991, and a total of 391 months. Delaney moved to Oregon May 31, 2004. She can subtract 62.4 percent ($244 \div 391$) of her taxable federal pension included in the Oregon column. She will continue to subtract 62.4 percent of her taxable federal pension from Oregon income in future years.

Use the following worksheet to determine your subtraction amount:

Federal column

- | | | |
|---|----|--|
| 1. Federal pension included in federal column, Form 40N or Form 40P, line 17. | 1. | |
| 2. Divide months of service before October 1, 1991, by total months of service. | 2. | |
| 3. Multiply line 1 by line 2. Enter here and on Form 40N or Form 40P, line 38a. | 3. | |

Worksheet continued on next page

Oregon column

4. Federal pension included in Oregon column, Form 40N or Form 40P, line 17. 4. _____
5. Percentage from line 2 above. 5. _____
6. Multiply line 4 by line 5. Enter here and on Form 40N or 40P, line 38b. 6. _____

To avoid processing delays or adjustments, double-check that you reported your pension income on the correct line and attach your federal return.

• Interest and dividends from the U.S. government [code 315].

Federal column. On Form 40N or Form 40P, line 38a, fill in interest and dividends from the U.S. government that you included on your federal return. Include U.S. government interest you received through partnerships or grantor trusts.

Examples:

- You may subtract interest from U.S. Series EE and HH bonds and Treasury bills and notes.
- You may subtract interest and dividends paid to you by organizations that invest in U.S. government securities. Check the information on your Form 1099. The payer may have given the percentage of interest and dividends from U.S. government securities. For more information, visit our Web site to download the information circular, *Interest and Dividends on U.S. Bonds and Notes*. Or, contact us to order it. See page 40.
- You must reduce U.S. government interest by any interest expense relating to U.S. government obligations you deducted on your federal Schedule A.
- Don't include interest on federal tax refunds in either column.
- If you reported interest or dividends of your minor child on your federal return, you may subtract any U.S. government interest included.

Oregon column. If you included interest and dividends from the U.S. government on lines 9 and 10 of the Oregon column, fill in this amount of U.S. government interest on line 38b.

Note: When you sell or dispose of a U.S. government obligation, you must include any gain or loss in income.

• Local government bond interest [code 317].

Federal column. The U.S. government taxes certain types of local government bond interest such as private activity bond interest. If you included income from Oregon bonds on your federal return, subtract it on line 38a.

Oregon column. On line 38b, fill in Oregon local government bond interest if you included it in Oregon income on line 9.

- **Military pay [code 319].** Did you report U.S. military pay in income on line 8? If so, you may qualify for a subtraction.

The Servicemembers Civil Relief Act was signed into federal law on December 19, 2003. According to the Act, military pay received by a nonresident, or received by a part-year resident while a nonresident of Oregon, cannot be used to compute Oregon tax. This is retroactive and applies to any tax year for which the statute of limitation remains open.

Federal column. Subtract all of the military pay you received while you were a nonresident of Oregon from the wages you reported in the federal column on line 8.

Oregon column. Nonresidents—don't fill in any amount. Military pay of a nonresident is not Oregon source income and should not be reported in the Oregon column on line 8. There is nothing to subtract.

Full-year and part-year residents—subtract from the wages you reported in the Oregon column on line 8:

- All active duty pay earned outside of Oregon, and
- Up to \$3,000 active duty pay earned in Oregon.

Note: Your total military pay subtractions cannot be more than your total military pay.

• Oregon 529 College Savings Network [code 324].

You may subtract contributions you made to an Oregon 529 College Savings Network account in 2004, but not more than \$2,000 (\$1,000 if married filing separately) per return. If you contribute more than \$2,000, you may carry forward the amount of your contribution not subtracted this year over the next four years. Keep a copy of your account statement with your tax records. For more information, visit the network's Web site at www.oregon529network.com. Or, call their tax information line at 503-378-2882.

Federal column and Oregon column. Subtract the qualified contributions you made during the year to an Oregon 529 College Savings Network account.

- **Oregon Lottery winnings [code 322].** Oregon does not tax Oregon Lottery winnings of \$600 or less per ticket, however, the federal government does. Oregon Lottery includes Powerball tickets you purchased in Oregon.

Federal column and Oregon column. From the winnings you reported on line 20 you may subtract:

- Oregon Lottery winnings of \$600 or less from each single ticket or play, and
- Oregon Lottery annual payments from tickets purchased prior to 1998.

Example 1: Cheryl had winnings of \$200 playing an Oregon Lottery scratch-off ticket in 2004. This income is included in her federal adjusted gross income. Oregon does not tax Oregon Lottery winnings

of \$600 or less per single ticket or play, so Cheryl can subtract the \$200 she won on the scratch-off ticket from both columns of her return.

Example 2: David won two prizes in 2004. He won \$1,000 playing Oregon Lottery video poker and \$500 playing an Oregon Lottery Keno game. David must include \$1,500 in his federal income, however, Oregon will not tax the \$500 he won playing Keno. He can subtract \$500 on his Oregon return in both columns because the winnings were from a single game and below the \$600 limit. He cannot subtract any of the \$1,000 he won playing video poker, because the prize was more than \$600 and is fully taxable to Oregon.

Are you claiming gambling losses as an itemized deduction? If so, you also may need to reduce them. See instructions for Form 40N, line 46; or Form 40P, line 47, page 25. If you need help, please contact us. See page 40.

- **Oregon income tax refund included in federal income [code 325].** This subtraction is for Oregon state income tax refunds only. Do not include other states' refunds or any local or county tax refunds.

Federal column. Fill in your Oregon state income tax refund **only** if you included it on line 11 of the federal column.

Oregon column. Fill in your Oregon state income tax refund **only** if you included it on line 11 of the Oregon column.

- **Railroad Retirement Board benefits [code 330].**

Federal column. Fill in your tier 2, supplemental, windfall, and vested dual Railroad Retirement Board benefits included on line 20 of the federal column. Fill in railroad unemployment benefits included on line 20.

Oregon column. Don't fill in any amount. Oregon does not tax Railroad Retirement Board benefits or Railroad Retirement Board unemployment benefits.

- **Tuition and fees deduction [code 313].** Did you claim a Hope or lifetime learning credit on your federal return? If so, you were not allowed a tuition and fees deduction because you claimed the federal credit. Because Oregon does not have credits similar to the Hope or lifetime learning credits, you can take the federal tuition and fees deduction on your Oregon return as a subtraction. For 2004, the maximum amount you can claim is the smaller of \$4,000 or your actual expenses.

Federal column. Enter the amount of the federal tuition and fees deduction you would have claimed on your federal return had you not claimed the federal credit. The maximum deduction you can claim is \$4,000.

Oregon column. For the part of the year you were a nonresident, calculate your subtraction using the following formula:

$$\frac{\text{Oregon source income while a nonresident}}{\text{Total income while a nonresident}} \times \frac{\text{Qualified tuition and fees paid while a nonresident}}{\text{Total income while a nonresident}} = \text{Nonresident deduction}$$

Add to that the amount of qualified education expenses you paid while you were an Oregon resident. Enter the smaller of the result or the amount you would have deducted on your federal return, but no more than \$4,000.

- **The following subtractions** apply to only a few people and are not explained in this booklet. Please visit our Web site for information about these subtractions. For taxpayer assistance information, see page 40. Make the subtraction in **both** the federal and Oregon columns if you included the related income in both columns.

- American Indian [code 300].
- Business expenses reduced because of federal tax credits (such as targeted jobs, work opportunities) [code 308].
- Certain pension distributions when the contributions were taxed by another state [code 327].
- Domestic partner benefits [code 305].
- Federal gain previously taxed by Oregon [code 306].
- Fiduciary adjustments from Oregon estates and simple or complex trusts [code 310].
- Gain or loss on the sale of depreciable property with an Oregon basis that is different from the federal basis [code 312].
- Individual Development Accounts [code 314].
- Land donation to an educational institution [code 316].
- Logger and construction worker commuting costs [code 303].
- Net operating loss [code 321].
- Passive activity losses [code 326].
- Public Safety Memorial Fund awards [code 329].
- Scholarship awards used for housing expenses [code 333].

- **40 Oregon percentage.** Divide the amount on line 39b by the amount on line 39a. Round the decimal to three places. Write the percentage on line 40. **Don't fill in more than 100 percent or less than -0-.**

	Oregon percentage		
Example	Line 39b	Line 39a	Line 40
1	\$8,000 ÷	\$30,000 =	.266666 Round to .267 (26.7%)
2	(1,000) ÷	15,000 =	-0- (0%)
3	20,000 ÷	15,000 =	1.333 Limited to 1.000 (100.0%)

If the amount on line 39b is **greater than** the amount on line 39a, your Oregon percentage is 100 percent. This is true even when line 39a is a negative number.

Deductions and modifications

You may claim either net itemized deductions or Oregon's standard deduction, whichever is larger, but not both.

Form 40N **41**

Form 40P **42**

Itemized deductions.

You may claim your total itemized deductions after federal limitations shown on federal Schedule A, line 28. You may claim itemized deductions for Oregon even if you do not have enough deductions to itemize on your federal return.

If you itemize for Oregon only, fill out a federal Schedule A for Oregon purposes. Use your federal adjusted gross income to figure the Schedule A limitations. Keep the Schedule A with your tax records.

Note: If you are married filing separately, you must itemize deductions if your spouse itemizes. Are you filing separate returns for Oregon only? If so, determine your share of itemized deductions by multiplying your total joint deductions by the percentage you figured on page 16. You may separate each spouse's itemized deductions if you can clearly identify your own itemized deductions.

Form 40N **42**

Form 40P **43**

State income tax claimed as an itemized deduction.

Fill in the amount of Oregon state income tax you claimed as an itemized deduction on federal Schedule A, line 5. Do not include local or county tax amounts.

Are you claiming a credit for income taxes paid to another state and deducting the other state's taxes on Schedule A? If so, include the other state's 2004 net tax liability or the other state's 2004 tax claimed as an itemized deduction, whichever is less. For line 58 instructions, see page 28.

Did you limit itemized deductions on your federal return because your adjusted gross income (AGI) exceeded \$142,700 (\$71,350 if married filing separately)? If so, you may need to complete a worksheet to figure how much Oregon income tax to subtract from itemized deductions. Visit our Web site to download the information circular, *Itemized Deductions Limit*. Or, to order it, see page 40.

Form 40N **44**

Form 40P **45**

Standard deduction.

Generally, your standard deduction is based on your filing status, as follows:

Single.....	\$1,720
Married filing jointly.....	3,445
Married filing separately	
If spouse claims standard deduction	1,720
If spouse claims itemized deductions.....	-0-
Head of household.....	2,770
Qualifying widow(er).....	3,445

Standard deduction—Age 65 or older, or blind. If you or your spouse are age 65 or older, or blind, you are entitled to a larger standard deduction amount. Use the chart below to determine your larger standard deduction.

1. Are you:..... 65 or older? Blind?
If claiming spouse's exemption,
is your spouse: 65 or older? Blind?

2.

If your filing status is...	And the number of boxes checked above is...	Then your standard deduction is...
Single	1	\$ 2,920
	2	4,120
Married filing jointly	1	4,445
	2	5,445
	3	6,445
	4	7,445
Married filing separately	1	2,720
	2	3,720
	3	4,720
	4	5,720
Head of household	1	3,970
	2	5,170
Qualifying widow(er)	1	4,445
	2	5,445

Fill in the total standard deduction on Form 40N, line 44; or Form 40P, line 45.

Standard deduction—Dependents. If someone else can claim you as a dependent, your standard deduction is limited to the larger of:

- Your earned income plus \$250, up to the maximum allowed for your filing status as shown above; or
- \$800.

The limit applies even if you can be, but are not, claimed as a dependent on another person's return.

Use the following worksheet to figure your standard deduction:

- Enter your earned income. 1. _____
- Additional \$250. 2. 250
- Add lines 1 and 2. 3. _____
- Minimum standard deduction set amount. 4. 800
- Enter the larger of line 3 or line 4. 5. _____
- Basic standard deduction for single. 6. 1,720
- Enter the smaller of line 5 or line 6. 7. _____
- If you are under age 65, enter -0-. If you are age 65 or older, enter \$1,200. 8. _____
- If you are not blind, enter -0-. If you are blind, enter \$1,200. 9. _____
- Add lines 7, 8, and 9. Enter the total here and on Form 40N, line 44; or Form 40P, line 45. This is your standard deduction. 10. _____

Standard deduction—Nonresident aliens. The standard deduction for nonresident aliens is -0-.



2004 federal tax liability. Carefully follow the instructions below. Don't

confuse your **federal tax liability** on your federal return with the **federal tax withheld** on your Form(s) W-2. They are not the same.

You may deduct your total federal income tax liability after credits, up to \$4,000. Don't fill in less than -0- or more than \$4,000 (\$2,000 if married filing separately).

1. Enter your federal tax liability from Form 1040EZ, line 10; Form 1040A, line 36; Form 1040, line 56; Form 1040NR, line 51; or TeleFile Tax Record, tax from line K, box 2. 1. _____
2. Enter your tax on qualified retirement plans, Form 1040, line 59; or Form 1040NR, line 54, and any recapture taxes you included on Form 1040, line 62. 2. _____
3. Add lines 1 and 2. 3. _____
4. Enter \$4,000 (\$2,000 if married filing separately). 4. _____
5. Enter the smaller of line 3 or line 4 here and on Form 40N, line 45; or Form 40P, line 46. 5. _____

Caution: Don't include any of the following on line 2 above.

- Self-employment tax.
- Social Security and Medicare tax on tips.
- Advance earned income credit payments.
- Household employment taxes.

If you file married filing separately for Oregon only, multiply your joint federal tax liability (after credits) by the percentage calculated on page 16. Each spouse is limited to a maximum subtraction of \$2,000.

Did you pay additional federal tax in 2004 because you were audited or you filed an amended return? If so, read the instructions for Form 40N, line 46; or Form 40P, line 47.



Other deductions and modifications. Only a few people have other

deductions and modifications. These items are multiplied by the Oregon percentage. Please identify the deduction or modification in the space on the form using the numeric code shown in brackets. For example, if you are reporting a \$900 foreign tax deduction, enter "603-\$900" in the space provided. If you have more than one, show the type and amount of each on the form. Modifications can be either additions or subtractions. Net the total amount of these items and enter

that amount on this line. If the net amount is an addition, please clearly bracket it. For example, "[200]."

• **Federal income tax refunds [code 601].** Did you get a federal tax refund in 2004 because you were audited or because you amended a prior year return? If so, fill in and clearly bracket the amount on Form 40N, line 46; or Form 40P, line 47, if you subtracted that amount on a prior Oregon return.

• **Federal tax from a prior year [code 602].** Did you pay additional federal tax in 2004 because you were audited or because you amended a prior year's return? If so, you may be able to deduct the additional tax. This deduction applies only to additional tax you paid because your return was changed. It doesn't include the tax from the original return or interest or penalties you paid.

Use the following worksheet to figure your deduction for federal tax from a prior year.

1. Enter \$4,000 (\$2,000 if married filing separately). 1. _____
2. Enter your federal tax liability from Form 40N, line 45; or Form 40P, line 46. 2. _____
3. Line 1 minus line 2. If the result is -0-, you cannot deduct your federal tax paid for a prior year. If greater than -0-, enter the result on line 3. 3. _____
4. Enter the amount of federal tax you paid for a prior year. 4. _____
5. Enter the smaller of line 3 or line 4 here and on Form 40N, line 46; or Form 40P, line 47. 5. _____

• **Foreign tax [code 603].** Did you pay tax to a foreign country in 2004? You may deduct this tax if you:

- Took a foreign tax credit on your federal return, **or**
- Didn't take a foreign tax credit **and** didn't itemize deductions on your federal return.

This subtraction is limited to \$3,000 (\$1,500 if married filing separately).

If you think you qualify, visit our Web site for more information. Or, contact the department. See page 40.

• **Gambling losses claimed as an itemized deduction [code 604].** Did you have winnings from the Oregon Lottery and claim gambling losses on your federal Schedule A? If so, fill in and clearly bracket on Form 40N, line 46; or Form 40P, line 47, the gambling losses claimed as an itemized deduction that exceed gambling winnings taxed by Oregon.

• **Special Oregon medical deduction [code 606].** Were you or your spouse **age 62 or older** on December 31, 2004? If so, your deduction is the smaller of line 1 or line 3 from your federal Schedule A. To claim this

deduction, you must itemize your deductions for Oregon. You can do this by filling out a Schedule A for both federal and Oregon or filling out one for Oregon only. Keep your Schedule A with your tax records.

- **Part-year residents only: Artists who make a charitable art donation [code 600].** Visit our Web site to download the information circular, *Artist's Charitable Contribution Subtraction*. Or, contact us to order it. See page 40. Nonresidents, see Form 40N, line 48 instructions.

Form 40N 47 **Allowable deductions and modifications.** Complete the worksheet below to determine the deductions and modifications you are entitled to claim.

1. Enter amount from either Form 40N, line 43; or Form 40N, line 44, whichever is larger. 1. _____
2. Enter amount from Form 40N, line 45. 2. _____
3. Enter amount from Form 40N, line 46. 3. _____
4. Add together amounts from lines 1, 2, and 3 above. Enter result here. 4. _____
5. Enter your Oregon percentage from Form 40N, line 40, here. 5. _____
6. Multiply the amount from line 4 by the amount on line 5 above. Enter result here and on Form 40N, line 47. 6. _____

Form 40N 48 **Deductions and modifications not multiplied by Oregon percentage.**

- **Artists who make a charitable art donation [code 600].** Artists who make a charitable art donation may take a full deduction. Visit our Web site to download the information circular, *Artist's Charitable Contribution Subtraction*. Or, contact us to order it. See page 40.

Oregon tax

Form 40N 51 **Form 40P 50** **Tax from tax rate charts.** Figure the tax on your taxable income, Form 40N, line 50; or Form 40P, line 49. Most people go di-

rectly to the rate charts below. Fill in your tax amount on Form 40N, line 51; or Form 40P, line 50. Please double-check the tax you figured.

Example: A married couple's Oregon taxable income is \$29,500. They are filing jointly. They will use chart J for married filing jointly. They figure their tax like this:

Chart J	
Oregon taxable income	\$29,500
Subtract	- 13,000
	16,500
Multiply by 9%	× .09
	1,485
Then add	+ 806
Their Oregon tax is	<u>\$2,291</u>

Go to line 52 if:

- You sold or exchanged farm assets to get out of a farming business, or
- You want to use farm income averaging to compute your Oregon tax.

Form 40N 52 **Form 40P 52** **Tax from Form FIA-40N, Form FIA-40P, or Worksheet FCG.** If you qualify, you can compute your Oregon tax using one of the following methods:

Farm income averaging method. You can use the federal farm income averaging method to compute your Oregon tax even if you didn't use farm income averaging on your federal return. Only Oregon source farm income is considered elected farm income.

Use Form FIA-40N, *Oregon Farm Income Averaging for Nonresidents*, or Form FIA-40P, *Oregon Farm Income Averaging for Part-Year Residents*, to calculate your tax on your farm income and your other Oregon income. Visit our Web site to download the form and instructions. Or, to order the form, see page 40.

1. Enter the tax amount from Form FIA-40N, line 19; or Form FIA-40P, line 18, on Form 40N or 40P, line 52.
2. Check the box labeled "Form FIA."

2004 Tax Rate Charts

S Tax Rate Chart

For persons filing

Single or Married filing separately

If your taxable income is:	Your tax is:
Not over \$2,600.....	5% of taxable income
Over \$2,600 but not over \$6,500.....	\$130 plus 7% of the excess over \$2,600
Over \$6,500.....	\$403 plus 9% of the excess over \$6,500

J Tax Rate Chart

For persons filing

Jointly, Head of household, or Qualifying widow(er) with dependent child

If your taxable income is:	Your tax is:
Not over \$5,200.....	5% of taxable income
Over \$5,200 but not over \$13,000.....	\$260 plus 7% of the excess over \$5,200
Over \$13,000.....	\$806 plus 9% of the excess over \$13,000

3. Attach a copy of Form FIA-40N or Form FIA-40P to your return.

Farm asset capital gain method. Did you sell or exchange capital assets primarily used in farming because you were getting out of a farming business? Or, did you sell or exchange a farming partnership, corporation, or other farming entity in which you held at least a 10 percent ownership interest? If the sale or exchange was not to a family member and you were getting out of a farming business completely, you may be eligible for a reduced tax rate on the net capital gain from the proceeds of the sale or exchange.

Use Worksheet FCG, *Farm Liquidation Long-Term Capital Gain Tax Rate*, to calculate tax on your net farm capital gain and your other Oregon income. Visit our Web site to download the worksheet. Or, contact us to order it. See page 40.

Nonresidents. Enter the tax amount from Worksheet FCG, line 7, on Form 40N, line 52. **Check the box labeled "Worksheet FCG."**

Part-year residents. Enter the tax amount from Worksheet FCG, line 8, on Form 40P, line 52. **Check the box labeled "Worksheet FCG."**

53 Interest on certain installment sales. Did you have installment sales on which you were required to pay interest on the deferred tax liability for federal purposes? If so, you must also compute interest for Oregon. The amount due for Oregon is computed the same way as for federal. The interest rate for 2004 is 6 percent per year (0.5 percent per month).

Nonresidents. Use only those installment obligations from dispositions of Oregon property while you were a nonresident of Oregon.

Credits

- When claiming an Oregon tax credit, you must claim the maximum credit allowed each year, up to your tax liability.
- You must prorate some Oregon credits on your return. This means you need to multiply your total credit by your Oregon percentage, line 40, to figure the amount you can claim on your Oregon return.

56 Earned income credit. You are allowed an Oregon earned income credit **only** if you qualify for the earned income credit on your federal return. You must prorate this credit. Your Oregon credit is 5 percent of your federal credit multiplied by your Oregon percentage. For example, if your federal credit is \$400, your Oregon credit is \$20 ($\$400 \times .05$) multiplied by your Oregon percentage from Form 40N or Form 40P, line 40.

Use the following formula to compute your credit:

1. Enter your federal earned income credit from Form 1040EZ, line 8a; Form 1040A, line 41a; Form 1040, line 65a; or TeleFile Tax Record, line L. 1. _____
2. Decimal amount. 2. .05
3. Multiply line 1 by line 2. Enter result here. 3. _____
4. Multiply line 3 by the Oregon percentage (Form 40P or Form 40N, line 40). Enter here and on Form 40P or Form 40N, line 56. 4. _____

The Oregon earned income credit is limited to your tax liability. You cannot carry over to next year any amount that is more than your tax liability.

57 Child and dependent care credit. You are allowed an Oregon credit **only** if you qualify for the federal child and dependent care credit. You may still be able to claim the Oregon credit even if you can't use all of your federal credit. In most cases, you cannot claim the credit if you are married filing separately. You must prorate this credit. Use the following worksheet to figure your credit for Oregon.

1. Enter the amount from federal Form 2441, line 6; or Form 1040A, Schedule 2, line 6. 1. _____
2. Enter the decimal amount from the following table. 2. _____

If your federal taxable income from Form 1040, line 42; or Form 1040A, line 27 is:		Your decimal amount is:
Over—	But not over—	
\$0	\$5,000	.30
\$5,000	10,000	.15
10,000	15,000	.08
15,000	25,000	.06
25,000	35,000	.05
35,000	45,000	.04
45,000	—	.00

3. Multiply the amount on line 1 above by the decimal amount on line 2. Enter here. 3. _____
4. Multiply line 3 by the Oregon percentage from Form 40N or Form 40P, line 40. Enter the result here and on Form 40N or Form 40P, line 57. 4. _____

Did you pay 2003 child care expenses in 2004? If so, multiply your 2003 expenses that you paid in 2004 included in the computation of your federal credit by the decimal amount that applies to your 2003 federal taxable income.

Multiply this amount by the Oregon percentage from your 2003 return. Enter the result on Form 40N or Form 40P, line 57. For assistance, see page 40.

Carryforward. Your total 2004 child and dependent care credit can't be more than your 2004 tax liability for Oregon. You can carry forward any excess over the next five years. If the excess isn't used within five years, it's lost. See instructions for other credits on this page.

58 Credit for income taxes paid to another state. If you paid 2004 income tax to another state or U.S. territory on income also taxed by Oregon, you may claim a credit.

You must claim the credit on your nonresident return or on your part-year resident return for the part of the year you were a nonresident if the income is taxed by both Oregon and one of the following states: Arizona, California, Indiana, or Virginia. See our Web site for links to other states' tax Web sites.

This credit is only for state income tax. You can't claim this credit for city or county income tax, sales tax, alternative minimum tax (AMT), property tax, school tax, or building funds.

If you are a shareholder in an Oregon S corporation that paid taxes to another state, you may qualify for this credit. Visit our Web site to download the information circular, *Credit for Income Taxes Paid to Another State*. Or, to order it, see page 40.

Your credit is the **smallest** of the following:

- The other state's 2004 net tax liability.
- Your Oregon tax liability after all credits, except credits for income taxes paid to other states.
- The amount figured using Formula 1 below.
- The amount figured using Formula 2 below.

Formula 1: Divide your modified adjusted gross income (MAGI) taxed by both states by your total MAGI. Your total MAGI is your income on Form 40P or Form 40N, line 39b. Multiply the result by your Oregon tax after all other credits. The result can't be more than your Oregon tax after credits.

$$\frac{\text{Your MAGI taxed by both states}}{\text{Your total MAGI}} \times \text{Your Oregon tax after all other credits}$$

Formula 2: Divide your MAGI taxed by both states by your total income on the other state's return. Multiply the result by the other state's tax after all other credits. "Total income" means income before subtracting itemized deductions and exemptions. The result can't be more than the other state's tax after credits.

$$\frac{\text{Your MAGI taxed by both states}}{\text{Your total income on the other state's return}} \times \text{Your other state's tax after all other credits}$$

Enter the credit amount on Form 40P or Form 40N, line 58.

Caution: You can't claim this credit and also benefit from the itemized deduction for the tax paid to the other state. If you claim the tax as an itemized deduction, include the other state's 2004 net tax liability or the other state's 2004 tax claimed as an itemized deduction, whichever is less, on Form 40P, line 43; or Form 40N, line 42.

If the credit for taxes paid to another state is based on a tax liability that is paid in two different tax years, you may be required to restore the deduction to Oregon income in two different tax years. Call us for more information. See page 40.

You must attach a copy of the other state's return and proof of payment to the back of your Oregon return.

You may be allowed this credit even if Oregon and another state taxes the same income in different years. Call us for more information. See page 40.

59 Other credits. You may qualify for other credits explained below. Please identify the credit(s) you are claiming in the space on line 59 using the numeric code shown in brackets. For example, if you are claiming a \$50 political contribution credit, enter "723-\$50" in the space provided. If you have more than one credit, show the type and amount of each on the form. Fill in the total amount of "other credits" on line 59.

• **Child and dependent care credit carryforward [code 704].** Fill in the amount of the carryover on Form 40N or Form 40P, line 59. The amount of prior year carryover plus your current year's credit can't be more than your Oregon tax liability. You can carry forward any excess credit over the next five years. If the excess isn't used within five years, it's lost.

• **Elderly or the disabled [code 709].** The Oregon credit is 40 percent of your federal credit. You may claim an Oregon credit only if you qualify for the federal credit. Multiply the amount from federal Schedule R, line 20; or Form 1040A, Schedule 3, line 20, by 40 percent (.40). Then multiply the result by the Oregon percentage on Form 40N or Form 40P, line 40. You may claim this credit or the retirement income credit, but not both.

• **Political contribution [code 723].** Fill in your total political contributions, but not more than \$100 on a joint return or \$50 on all others. You must have contributed money during 2004 to any of the following:

- A political party.
- A qualified candidate (or the candidate's principal campaign committee) for federal, state, or local office to be voted for in Oregon.
- A political action committee certified in Oregon.

Visit our Web site to download the information circular, *Political Contributions Tax Credit*. Or, contact us to order it. See page 40.

- **Retirement income [code 730].** If you were age 62 or older on December 31, 2004, and receiving retirement income, you may qualify for a credit. You qualify for this credit if:

- Your household income is less than \$22,500 (\$45,000 if married filing jointly); **and**
- Your Social Security benefits and/or tier 1 Railroad Retirement Board benefits are less than \$7,500 (\$15,000 if married filing jointly); **and**
- Your household income plus your Social Security and/or tier 1 Railroad Retirement Board benefits is less than \$22,500 (\$45,000 if married filing jointly).

If you think you qualify, contact us for more information. See page 40.

- **The following credits** apply to only a few people. Some are prorated using your Oregon percentage and some are not. Visit our Web site for more information. If you need help, please contact us. See page 40.

- Adoption expenses [code 700].*
- Advanced telecommunications facilities [code 701].*
- Bone marrow donation program [code 702].
- Business energy [code 703].
- Child Care Fund contributions [code 705].
- Claim of right [code 706].
- Crop donation [code 708].*
- Dependent care assistance by employers [code 707].
- Electronic commerce zone investment [code 710].
- Employer scholarship [code 711].*
- Farmworker housing [code 712].*
- First Break Program [code 713].*
- Fish screening devices [code 714].*
- Gain from the sale of your house also taxed by another state or country [code 720].
- Individual Development Account [code 715].
- Long-term care insurance premiums [code 716].*
- Loss of use of limbs [code 717].
- Low-income caregiver credit [code 718].
- On-farm processing machinery and equipment [code 721].*
- Oregon Cultural Trust [code 722].*
- Pollution control facilities [code 724].
- Reforestation of underproductive forestlands [code 727].
- Reservation enterprise zone [code 728].*
- Residential energy [code 729].*
- Riparian land [code 735].*
- Rural medical practitioners [code 731].*

*Prorated credit (multiplied by Oregon percentage).

Tax payments, penalty, and interest

- 62 Oregon income tax withheld from income.** Fill in the total Oregon tax withheld from your wages and other income shown on your Form(s) W-2 or 1099. Don't use the FICA (Social Security) tax withheld from your pay. Don't use tax withheld from your wages by other states. **Staple a readable copy** of your Form W-2 from each job and any Form 1099 showing Oregon income tax withheld to the lower front of your return.

If you do not have a Form W-2 or 1099, you must provide other proof of Oregon tax withheld. Proof may include a final paycheck stub or a letter from your employer.

If you have tax to pay this year, you may want to increase the amount your employer withholds from your 2005 wages for Oregon. Visit our Web site to download the information circular, *Oregon Income Tax Withholding: Some Special Cases*. Or, contact us to order it. See page 40.

- 63 Estimated tax payments for 2004 and payments made with your extension.** Fill in the total Oregon estimated tax payments you made before filing your 2004 Oregon return. Include any payments made with your Oregon extension. Also include any refund you applied to your 2004 estimated tax. If the department adjusted your applied refund, be sure to use the corrected amount.

- 64 Working family child care credit.** This credit is available to low-income working families with **qualifying** child care expenses for a child under age 13 (or under age 18 if disabled). The working family child care credit is a refundable credit. If this credit is more than your tax, you will receive the difference. If you think you may qualify, see page 34.

- 68 Penalty and interest for filing or paying late.** Your return is due April 15, 2005, unless you file for an extension.

Penalty. Include a penalty payment if you:

- Mail your tax payment after April 15 (even if you have an extension), or
- File your return showing tax to pay after the due date or extension due date.

The late-payment penalty is 5 percent of the unpaid balance of your tax. If you file more than three months after the due date or extension due date, a 20 percent late-filing penalty will be added; that is, you will owe a total penalty of 25 percent of any tax not paid.

Exception: You don't have to pay a penalty if you do **all** of the following:

1. Get an extension of time to file your return; and
2. Pay at least 90 percent of the tax due by April 15, 2005; and

3. Pay the balance of tax due when you file by the extension deadline; and
4. Pay the interest on the balance of tax when you file or within 30 days of our billing date.

Interest. If you are paying your tax after April 15, 2005, include interest on any unpaid tax. An interest period is each full month starting with the day after the due date. For example, April 16, 2005, through May 15, 2005, is an interest period. The 2005 interest rate is 5 percent per year (0.417 percent per month).

Interest is figured daily for periods of less than a month. Here's how to figure daily interest:

$$\text{Tax} \times .000137 \times \text{number of days}$$

If the tax is not paid within 60 days of our bill, the interest rate increases to 9 percent per year.

Note: Do not calculate interest if you file late and expect a refund. It may delay processing of your refund.

69 Interest on estimated tax underpayment. For 2004, you will have an underpayment if you paid less than 90 percent of the tax due on each estimated tax payment date.

You do not have an underpayment if:

- You owe less than \$1,000 tax on your 2004 tax return after credits, including your working family child care credit and Oregon tax withheld, or
- You did not have an underpayment for any 2004 estimated tax period.

Use Form 10, *Underpayment of Oregon Estimated Tax*, to determine if you have an underpayment. If you do or if you meet an exception, you **must** file Oregon Form 10 with your return. Visit our Web site to download the form. Or, to order it, see page 40.

On Form 40N or 40P, line 69, fill in the amount of interest due from Form 10 and check the box. Attach Form 10 to the back of your return.

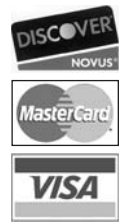
71 Amount you owe. You may pay your tax with a check, money order, or credit card.

Check or money order

- Make your check or money order payable to "Oregon Department of Revenue."
- Write your daytime telephone number and "2004 Oregon Form 40N" or "2004 Oregon Form 40P" on your check.
- Please use blue or black ink. Do not use red.
- Do not send cash or a postdated check.
- Staple your payment and the Form 40-V payment voucher (page 31) to your return on top of your Form(s) W-2.

Credit card

You now can pay your current-year balance due or make 2005 estimated tax payments with your Discover, MasterCard, or Visa credit card. This option is available to both electronic and paper filers.



To pay your taxes by credit card, call toll free or access through the Internet one of the service providers supporting Oregon's program. The service provider **will charge** you a convenience fee based on the amount of your tax payment. The service provider will tell you what the fee is during the transaction; you will have the option to either continue or cancel the transaction before entering your credit card information. The convenience fee, terms, and conditions may vary among providers. If you accept the credit card transaction, you will receive a confirmation number. **Please keep this confirmation number as proof of payment.**

Choose one of the following service providers:

1. Link2Gov Corporation

Call toll free 1-866-9OREGOV (1-866-967-3468), or visit their Web site at www.ortaxpayment.com.

2. Official Payments Corporation

Call toll free 1-800-2PAYTAX (1-800-272-9829), or visit their Web site at www.officialpayments.com.

For additional information about making credit card payments and the current service provider list, visit our Web site at www.oregon.gov/DOR.

Payment plan. If you cannot pay in full now, we will work with you to set up a payment plan for the amount you do not pay with your return. Contact the department for more information. See page 40.

Special instructions. Do you owe interest on line 68 and have an overpayment on line 66? If the interest you owe is more than your overpayment, you have an amount due. Subtract line 66 from line 68 and enter the result on line 71.

Charitable donations. If you do not have a refund but want to contribute to a charity listed on lines 74–79, mail your donation to the charity's address shown on pages 31 and 32. Please do not mail your donation to the Department of Revenue.

Go to the signature block section on page 32 to finish your return.

72 Refund. You must have a refund on line 72 to use lines 73–79.

73 Estimated tax. If you have a refund on line 72, you may apply part or all of it to your 2005 estimated tax. Fill in the amount you want to apply. Do not fill in more than the amount on line 72.

SMART [code 5]. Your donation will help fund the Start Making A Reader Today early literacy program for Oregon's most vulnerable children.

Oregon Children's Foundation/SMART
219 NW 12th Avenue, Suite 203
Portland OR 97209

SOLV [code 6]. Your donation will help fund thousands of projects to clean up beaches, forests, rivers, and neighborhoods across Oregon.

SOLV
5193 NE Elam Young Parkway, Suite B
Hillsboro OR 97124

St. Vincent de Paul Society of Oregon [code 7]. Your donation will help provide services leading to self-sufficiency for low-income Oregonians.

St. Vincent de Paul Society of Oregon
PO Box 24608
Eugene OR 97402

The Nature Conservancy [code 8]. Your donation will help purchase and restore critical habitats for Oregon's at-risk plants, fish, and wildlife.

The Nature Conservancy
821 SE 14th Avenue
Portland OR 97214

Doernbecher Children's Hospital Foundation [code 9]. Your donation will fund a critical expansion of the cancer treatment facilities at Doernbecher.

Doernbecher Children's Hospital Foundation
1121 SW Salmon, Suite 201
Portland OR 97205-2021

The Oregon Humane Society [code 10]. Your donation will help save pets' lives through rescue, sheltering, adoption, education, cruelty investigation, and advocacy.

The Oregon Humane Society
PO Box 11364
Portland OR 97211

The Salvation Army—Oregon [code 11]. Your donation to the Salvation Army ensures help for the neediest children and their families throughout Oregon.

The Salvation Army
1785 NE Sandy Boulevard
Portland OR 97232

The Oregon Veterans' Home [code 12]. Your donation will improve the quality of life for veterans receiving nursing care at the Oregon Veterans' Home.

Oregon Veterans' Home Donations
700 Summer Street NE
Salem OR 97301-1285

Planned Parenthood of Oregon [code 13]. Your donation will fund family planning services and reproductive health education programs.

Planned Parenthood of Oregon
3231 SE 50th Avenue
Portland OR 97206

81 Net refund. You must **reduce your refund** by any amounts applied to 2005 estimated tax and donations on lines 74–79. The department cannot issue a refund when the return is filed more than three years after the due date of the return.

Direct deposit

82 Complete line 82 if you want us to deposit your refund directly into your bank account instead of mailing you a check.

1. **Contact your bank** to make sure your deposit will be accepted and to get your correct routing and account numbers.
2. **Check the appropriate box** for account type. Check **either** checking or savings, but not both.
3. **Enter your nine-digit routing number.** The routing number must begin with 01 through 12, or 21 through 32, or 61 through 72.
4. **Enter the account number** of the account into which you want your refund deposited. The account number can be up to 17 characters (both numbers and letters). Include hyphens, but do not include spaces or special symbols. Enter the number left to right and leave any unused boxes blank.

Signature block

Authorization box. Check the box if you wish to authorize the Department of Revenue to contact your preparer about the initial processing of your tax return. Otherwise, leave it blank.

Signature(s). Be sure to sign and date your return. If you are filing a joint return, both spouses must sign.

Minor child's return. If your child must file a tax return, you may sign the child's name as his or her legal agent. Sign the child's name and then write "By [your signature], parent (or other legal guardian) of minor child."

Preparer signature. Any person who prepares, advises, or assists in the preparation of personal income tax returns for another person in exchange for payment, gifts, or other compensation must be licensed and must sign the return. Contact the following agencies for more information on licensing or to check the status of your Oregon tax practitioner:

- State Board of Tax Practitioners at 503-378-4034 for licensed tax consultants and licensed tax preparers.

- State Board of Accountancy at 503-378-4181 for public accountants and certified public accountants.

License number. Licensed tax consultants, please enter your license number. Certified public accountants, please enter your certificate number. Tax-Aide volunteers, please enter your TCE site number.

Before you file

Should I put my return together in a special order?

Yes. To speed processing, put your Oregon return together as follows:

1. Start with Form 40N or Form 40P.
2. Staple Form(s) W-2 and any Form(s) 1099 showing Oregon tax withheld to the lower front of your Form 40N or Form 40P.
3. Staple your check or money order and completed Form 40-V payment voucher (page 31) on top of the Form(s) W-2 and/or 1099. If paying by credit card, do not use Form 40-V.
4. Place a copy (front and back) of your federal Form 1040, 1040A, 1040EZ, 1040NR, or TeleFile Tax Record behind your Form 40N or Form 40P.
5. If applicable, place these items in the following order behind the federal form:
 - Schedule WFC-N/P, *Oregon Working Family Child Care Credit for Form 40N and Form 40P filers*. See page 35.
 - Oregon Form 10, *Underpayment of Oregon Estimated Tax*.
 - Proof required to claim credit for income taxes paid to another state. See page 28.
 - Oregon Form 24, *Like-Kind Exchanges/Involuntary Conversions*.
 - Form FIA-40P, *Oregon Farm Income Averaging for Part-Year Residents*, or Form FIA-40N, *Oregon Farm Income Averaging for Nonresidents*.
 - *Exempt Income Schedule for Enrolled Members of a Federally Recognized American Indian Tribe*.
6. Staple all pages of your return together in the top left-hand corner.

Be sure the second page of your return is the same form as the first page. *Example:* If you file Form 40N, be sure that “Page 2—2004 Form 40N” is printed at the top of the second page.

Do not attach extension requests; federal Schedule A, B, C, or D; or Form 2441, etc. We receive some federal information from the IRS. We may ask you for copies of schedules or additional information later.

How long do I have to file my return and get a refund?

You have three years from the due date of the return to file a claim for a refund. By law, the Department of

Revenue cannot issue a refund if your return is filed more than three years after the due date.

Can I make payments?

If you can't pay in full now, we will work with you to set up a payment plan. File now and pay what you can. Write your daytime telephone number, tax year, and “Form 40N” or “Form 40P” on your check. Be sure you also use Form 40-V, the payment voucher, on page 31. Call the department as soon as possible to set up a payment plan. If you do not call, collection activity may begin.

To avoid processing delays, remember to:

Double-check your math calculations and other figures, including your Social Security number. The most common mistakes are math errors and the amount claimed for the federal tax subtraction. Please double-check the tax you figured. Errors will slow the processing of your return.

If you have tax to pay, read line 71 instructions.

Verify your bank account information if you are requesting direct deposit.

Sign your return (both spouses must sign a joint return).

Staple readable copies of Form(s) W-2 and 1099 showing Oregon tax withheld to the front of the return.

Staple a copy of your federal return (front and back only) to your Oregon return.

Staple Form 40-V, the payment voucher, with your check or money order to the front of your return. If paying by credit card, do not use Form 40-V.

Mail your return in a stamped envelope. Use a business envelope (4 × 9½ inches) and be sure to use enough postage. Please do not use a smaller envelope—it delays processing.

Tax return mailing addresses

Mail refund returns or no-tax-due returns to:

REFUND
PO Box 14700
Salem OR 97309-0930

Mail tax-to-pay returns to:

Oregon Department of Revenue
PO Box 14555
Salem OR 97309-0940

Working family child care credit

This refundable credit is available to low-income working families with qualifying child care expenses. To qualify, **all of the following must be true:**

- You had at least \$6,750 of earned income; and
- You had less than \$2,650 of investment income (such as interest, dividends, and capital gains); and
- Your adjusted gross income was less than the limits for your household size shown on the back of Schedule WFC-N/P; and
- You paid qualifying child care expenses to allow you (and your spouse, if married) to work or attend school; and
- You paid qualifying child care expenses for your qualifying child. A qualifying child is your son,

daughter, legally adopted child, stepson, or stepdaughter who was:

- under the age of 13, or
- under the age of 18 for whom you can claim the additional exemption credit for a child with a disability; and
- Your child care provider was not the child's parent, guardian, or brother or sister under age 19.

Note: If you are married filing separately, you must be legally separated or permanently living apart on December 31, 2004, to qualify.

If you qualify, complete Schedule WFC-N/P, *Oregon Working Family Child Care Credit for Form 40N and Form 40P filers*, on page 35.

Schedule WFC-N/P instructions

You must complete all information on the schedule. An incomplete schedule may result in denial of your working family child care credit.

Household size calculation

Sched. WFC-N/P **1** - **5** Your household size is the number of people you claim as exemptions on your federal tax return who live in your home. You can include in your household size your child of whom you have primary custody, even if you allowed the child's other parent to claim the exemption on his or her tax return. You cannot include people you are entitled to claim on your tax return who did not live with you in your home during 2004. For the purposes of this credit, an individual cannot be counted in household size on more than one return. Enter your household size from Schedule WFC-N/P, line 5, on Form 40N or Form 40P, line 64a.

Example 1: Rusty and Deb are not married and are the parents of two qualifying children. They have joint custody of both children. Deb is the primary custodian and caregiver. She releases the dependent exemption for one child to Rusty. Both Rusty and Deb may claim the credit based on the qualifying child care expenses each paid. However, each needs to calculate household size separately. Deb's household size is three (herself, one dependent child, and one dependent child whose exemption is released to Rusty). Rusty's household size is one (himself). Although he claims one child on his tax return, the child does not live with him and is not included in his household size.

Example 2: Jay and Rena have three qualifying children. They also support Rena's parents who do not live

with them. They claim seven exemptions on their tax return. Jay and Rena's household size is five, because only five of them live in their home.

Qualifying child care expenses paid in 2004

Sched. WFC-N/P **6** - **9** **Provider's full name and complete address.** Enter the child care provider's information in the space provided on Schedule WFC-N/P. If you have more providers during the year than there is space for on the form, please attach a separate sheet with the required information.

Provider's SSN/FEIN/ITIN. You must include your provider's Social Security number, Federal Employer Identification Number, or Individual Taxpayer Identification Number.

Child/provider relationship. Identify the relationship of the provider to the child using the relationship codes on page 39. If there is no relationship between the provider and the child, enter "N" for none.

Amount paid to provider. Qualifying child care expenses are paid for the primary purpose for you (and your spouse, if married) to work or attend school. You can pay your expenses with pre-tax dollars from an employer benefit plan such as a cafeteria plan or flexible spending arrangement and still qualify to claim this credit. You must pay for the child care during 2004 for the payments to be qualifying child care expenses.

Qualifying child care expenses do not include amounts you paid for your child to attend a public or private school or for activities such as gymnastics

continued on page 39

Schedule WFC-N/P

Oregon Working Family Child Care Credit for Form 40N and Form 40P Filers

2004

Last name	First name and initial	Social Security No. (SSN) - -	Date of birth (mm/dd/yyyy)
Spouse's last name if joint return	Spouse's first name and initial if joint return	Spouse's SSN, if joint return - -	Date of birth (mm/dd/yyyy)

Household Size Calculation

1. Enter the number of exemptions you claimed on your federal return..... 1
2. Enter the number of exemptions you did not claim on your federal return because you released the exemption to the child's other parent..... 2
3. Add lines 1 and 2..... 3
4. Enter the number of exemptions you claimed on your federal return for people who did not live in your household during 2004..... 4
5. Household size. Line 3 minus line 4..... 5

FOR COMPUTER USE ONLY

Qualifying Child Care Expenses Paid in 2004. Enter the following information for each child care provider you used in 2004.

Provider's full name and complete address	Provider's SSN/FEIN/ITIN	Child/Provider Relationship (enter code)	Amount Paid to Provider
6. _____	<input type="text"/>	<input type="text"/>	6 \$ <input type="text"/>

Provider's full name and complete address	Provider's SSN/FEIN/ITIN	Child/Provider Relationship (enter code)	Amount Paid to Provider
7. _____	<input type="text"/>	<input type="text"/>	7 \$ <input type="text"/>

Provider's full name and complete address	Provider's SSN/FEIN/ITIN	Child/Provider Relationship (enter code)	Amount Paid to Provider
8. _____	<input type="text"/>	<input type="text"/>	8 \$ <input type="text"/>

9. Total child care expenses paid in 2004. Add amounts on lines 6 through 8 and enter the result here	9	\$ <input type="text"/>
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Qualifying Child Information

First and Last Name of Child	Child's SSN	Child's Date of Birth	Relationship (enter code)	Expenses Paid for Child
10. _____	<input type="text"/>	<input type="text"/>	<input type="text"/>	\$ <input type="text"/>
11. _____	<input type="text"/>	<input type="text"/>	<input type="text"/>	\$ <input type="text"/>
12. _____	<input type="text"/>	<input type="text"/>	<input type="text"/>	\$ <input type="text"/>
13. _____	<input type="text"/>	<input type="text"/>	<input type="text"/>	\$ <input type="text"/>
14. _____	<input type="text"/>	<input type="text"/>	<input type="text"/>	\$ <input type="text"/>
15. Total child care expenses. Add amounts on lines 10 through 14 and enter the result here	15	\$ <input type="text"/>		

Computation of Credit

16. Enter your federal adjusted gross income (Form 40N or Form 40P, line 30a) 16
17. Enter the total qualifying child care expenses paid in 2004 from line 9 above..... 17
18. Enter the decimal amount from the working family child care credit table on the back (use the table that matches your household size on line 5 above). For example, if the amount on line 5 is 4, use Table 4..... 18 x .
19. Multiply the amount on line 17 by the decimal amount on line 18 and enter here 19
20. Multiply line 19 by the Oregon percentage (Form 40N or Form 40P, line 40). Enter the result here and on Form 40N or Form 40P, line 64. This is your working family child care credit 20

—YOU MUST ATTACH THIS SCHEDULE TO YOUR OREGON INCOME TAX RETURN—

Working Family Child Care Credit—2004 Tables

Table 1, household size = 1		
If the amount on Schedule WFC-N/P, line 16 is:		Enter this decimal amount on Schedule WFC-N/P, line 18:
at least:	but less than:	
—	\$18,600	.40
\$18,600	19,550	.36
19,550	20,500	.32
20,500	21,400	.24
21,400	22,350	.16
22,350	23,300	.08
23,300	—	.00

Table 2, household size = 2		
If the amount on Schedule WFC-N/P, line 16 is:		Enter this decimal amount on Schedule WFC-N/P, line 18:
at least:	but less than:	
—	\$25,000	.40
\$25,000	26,250	.36
26,250	27,500	.32
27,500	28,750	.24
28,750	30,000	.16
30,000	31,250	.08
31,250	—	.00

Table 3, household size = 3		
If the amount on Schedule WFC-N/P, line 16 is:		Enter this decimal amount on Schedule WFC-N/P, line 18:
at least:	but less than:	
—	\$31,350	.40
\$31,350	32,900	.36
32,900	34,450	.32
34,450	36,050	.24
36,050	37,600	.16
37,600	39,200	.08
39,200	—	.00

Table 4, household size = 4		
If the amount on Schedule WFC-N/P, line 16 is:		Enter this decimal amount on Schedule WFC-N/P, line 18:
at least:	but less than:	
—	\$37,700	.40
\$37,700	39,600	.36
39,600	41,450	.32
41,450	43,350	.24
43,350	45,250	.16
45,250	47,150	.08
47,150	—	.00

Table 5, household size = 5		
If the amount on Schedule WFC-N/P, line 16 is:		Enter this decimal amount on Schedule WFC-N/P, line 18:
at least:	but less than:	
—	\$44,050	.40
\$44,050	46,250	.36
46,250	48,450	.32
48,450	50,650	.24
50,650	52,850	.16
52,850	55,100	.08
55,100	—	.00

Table 6, household size = 6		
If the amount on Schedule WFC-N/P, line 16 is:		Enter this decimal amount on Schedule WFC-N/P, line 18:
at least:	but less than:	
—	\$50,400	.40
\$50,400	52,950	.36
52,950	55,450	.32
55,450	58,000	.24
58,000	60,500	.16
60,500	63,050	.08
63,050	—	.00

Table 7, household size = 7		
If the amount on Schedule WFC-N/P, line 16 is:		Enter this decimal amount on Schedule WFC-N/P, line 18:
at least:	but less than:	
—	\$56,800	.40
\$56,800	59,600	.36
59,600	62,450	.32
62,450	65,300	.24
65,300	68,150	.16
68,150	71,000	.08
71,000	—	.00

Table 8, household size = 8*		
If the amount on Schedule WFC-N/P, line 16 is:		Enter this decimal amount on Schedule WFC-N/P, line 18:
at least:	but less than:	
—	\$63,150	.40
\$63,150	66,300	.36
66,300	69,450	.32
69,450	72,600	.24
72,600	75,750	.16
75,750	78,950	.08
78,950	—	.00

* If your household size is larger than eight, please contact the department for the tables you need. See page 40 for taxpayer assistance information.

Schedule WFC-N/P

Oregon Working Family Child Care Credit for Form 40N and Form 40P Filers

2004

Last name	First name and initial	Social Security No. (SSN) - -	Date of birth (mm/dd/yyyy)
Spouse's last name if joint return	Spouse's first name and initial if joint return	Spouse's SSN, if joint return - -	Date of birth (mm/dd/yyyy)

Household Size Calculation

1. Enter the number of exemptions you claimed on your federal return..... 1
2. Enter the number of exemptions you did not claim on your federal return because you released the exemption to the child's other parent..... 2
3. Add lines 1 and 2..... 3
4. Enter the number of exemptions you claimed on your federal return for people who did not live in your household during 2004..... 4
5. Household size. Line 3 minus line 4..... 5

FOR COMPUTER USE ONLY

Qualifying Child Care Expenses Paid in 2004. Enter the following information for each child care provider you used in 2004.

Provider's full name and complete address	Provider's SSN/FEIN/ITIN	Child/Provider Relationship (enter code)	Amount Paid to Provider
6. _____	<input type="text"/>	<input type="text"/>	6 \$ <input type="text"/>

Provider's full name and complete address	Provider's SSN/FEIN/ITIN	Child/Provider Relationship (enter code)	Amount Paid to Provider
7. _____	<input type="text"/>	<input type="text"/>	7 \$ <input type="text"/>

Provider's full name and complete address	Provider's SSN/FEIN/ITIN	Child/Provider Relationship (enter code)	Amount Paid to Provider
8. _____	<input type="text"/>	<input type="text"/>	8 \$ <input type="text"/>

9. Total child care expenses paid in 2004. Add amounts on lines 6 through 8 and enter the result here 9 \$

Qualifying Child Information

First and Last Name of Child	Child's SSN	Child's Date of Birth	Relationship (enter code)	Expenses Paid for Child
10. _____	<input type="text"/>	<input type="text"/>	<input type="text"/>	\$ <input type="text"/>
11. _____	<input type="text"/>	<input type="text"/>	<input type="text"/>	\$ <input type="text"/>
12. _____	<input type="text"/>	<input type="text"/>	<input type="text"/>	\$ <input type="text"/>
13. _____	<input type="text"/>	<input type="text"/>	<input type="text"/>	\$ <input type="text"/>
14. _____	<input type="text"/>	<input type="text"/>	<input type="text"/>	\$ <input type="text"/>
15. Total child care expenses. Add amounts on lines 10 through 14 and enter the result here				15 \$ <input type="text"/>

Computation of Credit

16. Enter your federal adjusted gross income (Form 40N or Form 40P, line 30a) 16
17. Enter the total qualifying child care expenses paid in 2004 from line 9 above..... 17
18. Enter the decimal amount from the working family child care credit table on the back (use the table that matches your household size on line 5 above). For example, if the amount on line 5 is 4, use Table 4..... 18 x .
19. Multiply the amount on line 17 by the decimal amount on line 18 and enter here 19
20. Multiply line 19 by the Oregon percentage (Form 40N or Form 40P, line 40). Enter the result here and on Form 40N or Form 40P, line 64. This is your working family child care credit 20

—YOU MUST ATTACH THIS SCHEDULE TO YOUR OREGON INCOME TAX RETURN—

Working Family Child Care Credit—2004 Tables

Table 1, household size = 1		
If the amount on Schedule WFC-N/P, line 16 is:		Enter this decimal amount on Schedule WFC-N/P, line 18:
at least:	but less than:	
—	\$18,600	.40
\$18,600	19,550	.36
19,550	20,500	.32
20,500	21,400	.24
21,400	22,350	.16
22,350	23,300	.08
23,300	—	.00

Table 2, household size = 2		
If the amount on Schedule WFC-N/P, line 16 is:		Enter this decimal amount on Schedule WFC-N/P, line 18:
at least:	but less than:	
—	\$25,000	.40
\$25,000	26,250	.36
26,250	27,500	.32
27,500	28,750	.24
28,750	30,000	.16
30,000	31,250	.08
31,250	—	.00

Table 3, household size = 3		
If the amount on Schedule WFC-N/P, line 16 is:		Enter this decimal amount on Schedule WFC-N/P, line 18:
at least:	but less than:	
—	\$31,350	.40
\$31,350	32,900	.36
32,900	34,450	.32
34,450	36,050	.24
36,050	37,600	.16
37,600	39,200	.08
39,200	—	.00

Table 4, household size = 4		
If the amount on Schedule WFC-N/P, line 16 is:		Enter this decimal amount on Schedule WFC-N/P, line 18:
at least:	but less than:	
—	\$37,700	.40
\$37,700	39,600	.36
39,600	41,450	.32
41,450	43,350	.24
43,350	45,250	.16
45,250	47,150	.08
47,150	—	.00

Table 5, household size = 5		
If the amount on Schedule WFC-N/P, line 16 is:		Enter this decimal amount on Schedule WFC-N/P, line 18:
at least:	but less than:	
—	\$44,050	.40
\$44,050	46,250	.36
46,250	48,450	.32
48,450	50,650	.24
50,650	52,850	.16
52,850	55,100	.08
55,100	—	.00

Table 6, household size = 6		
If the amount on Schedule WFC-N/P, line 16 is:		Enter this decimal amount on Schedule WFC-N/P, line 18:
at least:	but less than:	
—	\$50,400	.40
\$50,400	52,950	.36
52,950	55,450	.32
55,450	58,000	.24
58,000	60,500	.16
60,500	63,050	.08
63,050	—	.00

Table 7, household size = 7		
If the amount on Schedule WFC-N/P, line 16 is:		Enter this decimal amount on Schedule WFC-N/P, line 18:
at least:	but less than:	
—	\$56,800	.40
\$56,800	59,600	.36
59,600	62,450	.32
62,450	65,300	.24
65,300	68,150	.16
68,150	71,000	.08
71,000	—	.00

Table 8, household size = 8*		
If the amount on Schedule WFC-N/P, line 16 is:		Enter this decimal amount on Schedule WFC-N/P, line 18:
at least:	but less than:	
—	\$63,150	.40
\$63,150	66,300	.36
66,300	69,450	.32
69,450	72,600	.24
72,600	75,750	.16
75,750	78,950	.08
78,950	—	.00

* If your household size is larger than eight, please contact the department for the tables you need. See page 40 for taxpayer assistance information.

or soccer. You cannot claim expenses that are paid by someone else such as a state assistance agency. You can claim only the expenses you actually paid.

Example 3: Jeff works for a company that offers dependent care benefits through a plan administrator. He takes advantage of this employer benefit and contributes \$4,000 pre-tax each year to a flexible spending arrangement (FSA) plan. He gives the plan administrator the necessary documents so he can be reimbursed for his child care expenses. His employer reports the \$4,000 of dependent care benefits in box 10 of his W-2. Jeff has \$5,000 total in child care expenses for his two qualifying children. He paid \$1,000 with after-tax dollars, and he was reimbursed \$4,000 from his pre-tax FSA. Jeff may claim the working family child care credit based on \$5,000 in qualifying child care expenses.

Example 4: Lee has a five-year-old son who attends a local academy. He pays \$750 per month for his son's kindergarten and child care. Of the amount he pays each month, \$500 is the contract price for child care, and \$250 is an additional amount he pays for the child's education. Lee can only claim \$500 per month as qualifying child care.

Example 5: Cate qualifies for state assistance in paying her child care expenses. The child care provider charges Cate \$600 per month to care for her two children. Of the \$600 per month, the state pays \$450, and Cate has a co-pay of \$150. Cate cannot claim the entire amount because she did not pay it. She can only claim the amount she actually paid (\$150 per month).

Proof of qualifying child care expenses. In order to claim this credit, you must be able to prove that you paid the child care expenses. Acceptable proof includes, but is not limited to, copies of:

- Canceled checks,
- Duplicate checks along with bank statements, and/or
- Signed receipts from the child care provider.

The department could ask for proof during the processing of your tax return or any time later. If you pay a relative to watch your children, you may be asked to provide additional information that shows you

actually paid qualifying child care expenses. *Be sure to ask for a signed receipt from your child care provider when you pay the provider for the care.*

Qualifying child information

Sched. WFC-N/P 10 - 15 Enter the full name of each qualifying child, the child's Social Security number, date of birth, and his or her relationship to you using the codes shown below.

Enter the portion of the expenses you listed in the child care provider section that apply to each child. The amounts shown on line 9 and line 15 should always be the same.

Example 6: Bill has two children, Joe and Lane. He paid two child care providers \$5,000 during the year for Joe and Lane's child care. Of the \$5,000 he paid, \$3,000 was for Joe's care and \$2,000 was for Lane's care. He will enter those amounts next to each child's information.

Computation of credit

Sched. WFC-N/P 16 You must know your federal adjusted gross income (AGI) to compute this credit. You can find your federal AGI on your Oregon Form 40N or Form 40P, line 30a. Enter your federal AGI on Schedule WFC-N/P, line 16.

Sched. WFC-N/P 17 Enter the total qualifying expenses from Schedule WFC-N/P, line 9, on Schedule WFC-N/P, line 17, and Form 40N or Form 40P, line 64b.

Sched. WFC-N/P 18 Use the table on the back of Schedule WFC-N/P (page 36) that matches your household size.

For example, if your household size is 3, use Table 3 to determine the percentage you need to apply to your qualifying expenses. Enter that percentage on Schedule WFC-N/P, line 18.

Schedule WFC Relationship Codes	
Child/Provider Relationship Codes	Taxpayer/Child Relationship Codes
Grandparent GP	Son S
Parent P	Daughter D
Uncle U	Stepson SS
Aunt A	Stepdaughter SD
Brother SB	Legally adopted child LA
Sister SB	None N
None N	Other O
Other O	

Taxpayer assistance

Printed information (free)

Income tax booklets are available at many post offices, banks, and libraries. For booklets and other forms and publications, you can also access our Web site, order by telephone, or return the form below.



Check individual boxes to order. Complete name and address section. Clip on the dotted line, then mail in the entire list to the address below.

Forms and instructions

- Forms 40S & 40, *Full-Year Resident* 150-101-043
- Forms 40P & 40N, *Part-Year & Nonresident* 150-101-045
- Form 40-EXT, *Oregon Automatic Extension and Payment Voucher* 150-101-165
- Estimated Income Tax Payment Instructions and Vouchers* 150-101-026/-2
- Form 10, *Underpayment of Oregon Estimated Tax* 150-101-031
- Form 40X, *Oregon Amended Individual Income Tax Return* 150-101-046
- Form 90R, *Elderly Rental Assistance* 150-545-002
- Oregon Depreciation Schedule* 150-101-025
- Form 24, *Oregon Like-Kind Exchanges/ Involuntary Conversions* 150-800-734
- Form FIA-40, *Oregon Farm Income Averaging for Full-Year Residents* 150-101-160
- Form FIA-40N, 40P, and Schedule Z, *Oregon Farm Income Averaging for Nonresidents and Part-Year Residents* 150-101-161

Information circulars and brochures

- 2-D Barcode Filing for Oregon* 150-101-631
- Amtrak Act (Interstate Transportation Wages)* 150-101-601
- Audits: What To Do if You Are Audited* 150-101-607
- Credit for Income Taxes Paid to Another State* 150-101-646
- Divorce and Taxes* 150-101-629
- Electronic Filing for Oregon* 150-101-630
- Estimated Income Tax* 150-101-648
- Income Tax Filing Extension* 150-101-660
- Interest on Tax You Owe: Computation* 150-800-691
- Itemized Deductions Limit* 150-101-611
- Married Persons Filing Separate Returns* 150-101-656
- Military Personnel Filing Information* 150-101-657
- Record-Keeping Requirements* 150-101-608
- Retirement Income* 150-101-673
- Your Rights as an Oregon Taxpayer* 150-800-406
- List of other printed information:
Form and Publication Order 150-800-390

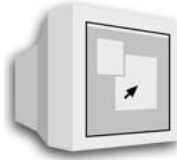
Send to: Forms, Oregon Department of Revenue
PO Box 14999, Salem OR 97309-0990

Please print

Name _____
Address _____
City _____
State _____ ZIP Code _____

Internet

www.oregon.gov/DOR



The Department of Revenue Web site is a quick and easy way to download forms and publications, get up-to-the-minute tax information, and learn about electronic filing.

Correspondence



Write to: Oregon Department of Revenue, 955 Center St NE, Salem OR 97301-2555. Include your Social Security number and a daytime telephone number for faster service.

Telephone

Salem **503-378-4988**
Toll-free within Oregon **1-800-356-4222**

If you have a touch-tone telephone, call our 24-hour voice response system at one of the numbers above to:

- Hear recorded tax information.
- Order tax forms.
- Check on the status of your 2004 personal income tax refund (beginning February 1).



For help from Tax Services, call one of the numbers above:

Monday, Tuesday, Thursday, Friday 7:30 a.m.–5:10 p.m.
Wednesday 10:00 a.m.–5:10 p.m.
Closed on holidays.
April 1–April 15, Monday–Friday 7:00 a.m.–9:00 p.m.
Wait times may vary.

TTY (hearing or speech impaired; machine only): 503-945-8617 (Salem) or 1-800-886-7204 (toll-free within Oregon).

Americans with Disabilities Act (ADA). This information is available in alternative formats. Call 503-378-4988 (Salem) or 1-800-356-4222 (toll-free within Oregon).

Asistencia en español. Llame al 503-945-8618 en Salem o llame gratis al 1-800-356-4222 en Oregon.

Field offices

Get forms and assistance at these offices. **Do not send your return to these addresses.**

Bend 951 SW Simpson Avenue, Suite 100

Eugene 1600 Valley River Drive, Suite 310

Gresham 1550 NW Eastman Parkway, Suite 220

Medford 24 W 6th Street

Newport 119 NE 4th Street, Suite 4

North Bend 3030 Broadway

Pendleton 700 SE Emigrant, Suite 310

Portland* Federal Building Lobby, 1220 SW Third Avenue

Portland 800 NE Oregon Street, Suite 505

Salem Revenue Building, 955 Center Street NE, Room 135

Salem 4275 Commercial Street SE, Suite 180

Tualatin 6405 SW Rosewood Street, Suite A

* February 1–April 1: Monday, Wednesday, Friday, 10 a.m.–3 p.m.

April 4–April 15: Monday through Friday, 9 a.m.–4 p.m.

