40-EXT

APPLICATION FOR AUTOMATIC EXTENSION OF TIME TO FILE OREGON INDIVIDUAL INCOME TAX RETURN

2006

Note to fiscal year taxpayers: File Form 40-EXT by the regular due date of your return.

Use Form 40-EXT to apply for an automatic six month extension of time to file your Oregon return. Please note that all federal extensions of time to file individual income tax returns will be honored as valid Oregon extensions. If you received a federal automatic six month extension (federal Form 4868), do not use Oregon Form 40-EXT unless you owe Oregon tax for 2006. Complete Oregon Form 40-EXT only if:

- You owe Oregon tax for 2006 and you cannot file your 2006 Oregon return by April 16, 2007; or
- You are filing an extension for Oregon only.

Complete the tax payment worksheet below to determine if you owe Oregon tax for 2006. If you owe Oregon tax, the tax must be paid by April 16, 2007.

An extension of time to file your return is not an extension of time to pay your tax. If you do not pay all of the tax due with your extension, you will owe interest on the unpaid balance after April 16, 2007, until the date of your full payment. The 2007 interest rate is 9 percent. You may also owe a late payment penalty. See "Penalties and interest" on page 2.

To apply for an automatic six month Oregon extension, file Form 40-EXT by April 16, 2007. If you are a fiscal year taxpayer, file Form 40-EXT by the regular due date of your return. Enter your name(s), Social Security number(s), and address on Form 40-EXT below. Detach and mail Form 40-EXT to the department's extension clerk. For general instructions and the extension clerk's mailing address, see page 2.

TAX PAYMENT WORKSHEET						
1. Total income tax liability for 2006. This is the amount you expect to enter on Form 40, line 41; Form 40S, line 18; Form 40N, line 59; or Form 40P, line 58						00
2. Total income tax payments (withholding, estimated payments) and refundable credits for 2006. This is the amount you expect to enter on Form 40, line 47; Form 40S, line 23; Form 40N, line 65; or Form 40P, line 64.					2	00
If the amount on line 2 is mo			egon tax.			
3. Tax to pay with extension. Line 1 minus line 2. Enter the result here and in the "Enter Payment Amount" box on Form 40-EXT below					3	00
▼ Detach Here For Tax Year APPL EXTENSI	REGON AO EYT				Detach Here ▼	
or Fiscal Year Ending Check if: Filing a composite return First time Oregon filer New name or address	DUAL INCOME TAX R	150-101-165 (Rev. 12-06)	Enter	· Payment A	mount
Last name	First name and initial	SSN or BIN	\$			0 0
Spouse's last name (if joint payment)	Spouse's first name and initial	Spouse's SSN (if joint payment)				
Current mailing address	1	City		State	ZIP code	

Form 40-EXT General Instructions

If you owe Oregon tax for 2006 and need additional time to file your Oregon return, complete Form 40-EXT. Detach and mail Form 40-EXT along with your check or money order to the department's extension clerk by April 16, 2007. If you are paying the tax with a credit card, complete Form 40-EXT and write "credit card payment" directly above the payment amount box before mailing your extension request. When you file your Oregon return, be sure to check box 7b and enter this payment as an estimated payment on Form 40, line 43; Form 40N, line 61; or Form 40P, line 60. Do not attach a copy of the extension to your Oregon return. Keep a copy of your Oregon extension with your records.

If you do not owe Oregon tax for 2006 and you have a federal extension, do not complete Form 40-EXT. Oregon will allow you the same extension. Be sure to **check box 7b** on your Oregon return when you file. Do not attach a copy of the federal extension to your Oregon return. Keep a copy of your federal extension with your records.

If you do not owe Oregon tax for 2006 but you need additional time to file your Oregon return and you do not have a federal extension, you do not need to complete Form 40-EXT. You have three years from the original due date of April 16, 2007 to file your return and claim a refund. There is no late filing penalty for a refund return. However, if there is a possibility you could owe Oregon tax for 2006, complete Form 40-EXT as a precaution against a late filing penalty. See "Penalties and interest" on this page. Fill out Form 40-EXT and enter -0- in the payment amount box. Detach and mail Form 40-EXT to the department's extension clerk by April 16, 2007. Be sure to check box 7b on your Oregon return when you file. Do not attach a copy of the extension to your Oregon return. Keep a copy of your Oregon extension with your records.

Were you stationed in a designated combat zone? Did you receive additional time to file your 2006 federal return and pay your 2006 federal tax? If so, Oregon allows you the same additional time to file and pay. You do not need to file Form 40-EXT. Write "Combat zone" in blue or black ink at the top of your tax return when you file.

Are you filing an extension for a composite return? If so, be sure to check the composite return box. Enter the entity's name in the last name field and the Oregon business identification number (BIN) in the SSN field. Do **not** enter the federal employer identification number (FEIN).

Penalties and interest. If you do not pay at least 90 percent of your total tax liability by April 16, 2007, a 5 percent late payment penalty plus interest may be added to your tax due. If you do not file your return within three months after the due date of the return, including extensions, a 20 percent late filing penalty plus interest may be added.

Payments. If you are sending a tax payment, make your check or money order payable to "Oregon Department of Revenue." Be sure to write your daytime telephone number and "2006 40-EXT" on your check or money order. To help us speed the processing of your request, please use **blue or black** ball point ink. Do not use gel ink or the color red, and do not postdate your check. Detach and mail Form 40-EXT along with your check or money order to the department's extension clerk by April 16, 2007.

Credit card payments. You can pay your 2006 tax through a third-party service provider using your Visa, MasterCard, or Discover credit card. Contact the service provider listed below. The provider will charge you a convenience fee based on the amount of your tax payment. If you accept the credit card transaction, you will receive a confirmation number. Please keep this confirmation number as proof of payment.

Service provider:

Official Payments Corporation. Call 1-866-720-1327, or visit their website at www.officialpayments.com.

If you are paying the tax with a credit card, complete Form 40-EXT and write "credit card payment" directly above the payment amount box. Detach and mail Form 40-EXT to the department's extension clerk by April 16, 2007. Mail to:

Extension Clerk Oregon Department of Revenue PO Box 14950 Salem OR 97309-0980