

Name: \_\_\_\_\_ FEIN:  Extension  
 BIN:  Form 37  
 Amended  
 OR School Fund

Address: \_\_\_\_\_

City: \_\_\_\_\_ St: \_\_\_\_\_ ZIP code: \_\_\_\_\_

Contact: \_\_\_\_\_  New name  
 New address

Web address: \_\_\_\_\_ Phone: \_\_\_\_\_

FOR FUTURE COMPUTER USE ONLY

**Complete A through D only if this is your first return or the answer changed during 2007.**

<input checked="" type="checkbox"/> A. Incorporated in (state);	<input checked="" type="checkbox"/> B. State of commercial domicile	<input checked="" type="checkbox"/> C. Date business activity began in Oregon	<input checked="" type="checkbox"/> D. Business Activity Code
<input checked="" type="checkbox"/> E. (1) <input type="checkbox"/> Consolidated federal return	<input checked="" type="checkbox"/> (2) <input type="checkbox"/> Consolidated Oregon return	<input checked="" type="checkbox"/> (3) <input type="checkbox"/> Corporations included in the consolidated federal return, but not in the Oregon return	
<input checked="" type="checkbox"/> F. <input type="checkbox"/> Low-income taxpayer	<input checked="" type="checkbox"/> G. List the tax years for which federal waivers of the statute of limitations are in effect and dates on which waivers expire		
<input checked="" type="checkbox"/> H. Number of Oregon corporations	<input checked="" type="checkbox"/> I. List the tax years for which your federal taxable income was changed by an IRS audit or by an amended federal return filed during this tax year		
<input checked="" type="checkbox"/> J. If first return, indicate <input type="checkbox"/> New business, or <input type="checkbox"/> Successor to prev. existing business	Name of previous business	FEIN	BIN
<input checked="" type="checkbox"/> K. If final return, indicate <input type="checkbox"/> Withdrawn, <input type="checkbox"/> Dissolved, or <input type="checkbox"/> Merged or reorganized	Name of merged or reorganized corporation	FEIN	BIN
L. If you did not complete Schedule AP, fill in the amount of your Oregon sales .....		<input checked="" type="checkbox"/> L.	

**Net income from the annual statement to the insurance commissioner:**

Round all amounts to the nearest whole dollar.

<b>Attach payment here</b>	1. Life, accident, and health companies (from page 4, line 35 of annual statement)...	1	
	2. Less: Income, expenses, and other items attributable to separate accounts ...	2	
	3. Subtotal (line 1 minus line 2) .....	3	
	4. Fire, property, and casualty companies (from page 4, line 20 of annual statement)...	4	
	5. Less: Underwriting profit derived from wet marine and transportation insurance...	5	
	6. Subtotal (line 4 minus line 5) .....	6	
	7. Total (line 3 plus line 6) .....	7	
<b>Additions</b>	8. Federal income taxes deducted in arriving at line 7 .....	8	
	9. State income taxes deducted in arriving at line 7 .....	9	
	10. Penalty interest on prepayment of loans .....	10	
	11. Realized gains and losses on sales or exchanges by insurer of property excluded from line 7 ....	11	
	12. Decreases in certain reserves .....	12	
	13. Total additions (add lines 8 through 12) .....	13	
	14. Income after additions (line 7 plus line 13) .....	14	

<b>Subtractions</b>	15. Amortization of past service credits..... ● 15	
	16. Increases in certain reserves..... ● 16	
	17. Depreciation in excess of annual statement allowance..... ● 17	
	18. Total subtractions (add lines 15 through 17)..... 18	
	19. Income before net loss deduction (line 14 minus line 18)..... 19	
<b>If income is derived from sources both in Oregon and other states, carry amount on line 19 to Schedule AP-2, line 1. Please complete both Schedules AP-1 and AP-2.</b>		
	20. Net loss deduction (attach schedule) ..... ● 20	
	21. Oregon taxable income (line 19 minus line 20 or amount from Schedule AP-2, line 11)..... ● 21	
	22. Excise tax (6.6 percent of line 21) <b>(not less than the minimum tax)</b> ..... 22	
	23. Tax adjustment for interest on certain installment sales ..... ● 23	
	24. Total tax (line 22 plus line 23) ..... 24	
<b>Credits</b>	25. Other credits (attach explanation)..... ● 25	
	26. Workers' Compensation credit ..... ● 26	
	27. Fire insurance gross premiums tax credit..... ● 27	
	28. Total (add lines 25 through 27)..... 28	
	29. Line 24 minus line 28 (not less than the minimum tax)..... 29	
	30. OLHIGA (Oregon Life and Health Insurance Guaranty Association) offset .... ● 30	
	31. Excise tax after credits and offsets (line 29 minus line 30) (not less than the minimum tax)..... 31	
	32. One-time small sales credit (67% of line 31, if eligible)..... ● 32	
	33. Net excise tax (line 31 minus line 32) (not less than the minimum tax) ..... ● 33	
	34. Estimated tax payments for tax year 2007 (from Schedule ES below). Include payments made with your extension .. ● 34	
	35. <b>Tax due.</b> Is line 33 more than line 34? If so, line 33 minus line 34 ..... <b>Tax due</b> ● 35	
	36. <b>Overpayment.</b> Is line 33 less than line 34? If so, line 34 minus line 33 ..... <b>Overpayment</b> ● 36	
	37. Penalty due with this return ..... 37	
	38. Interest due with this return ..... 38	
	39. Interest on underpayment of estimated tax. Attach Form 37 ..... ● 39	
	40. Total penalty and interest (add lines 37 through 39) ..... 40	
	41. <b>Total due</b> (line 35 plus line 40)..... <b>Total due</b> 41	
	42. <b>Refund</b> available (line 36 minus line 40) ..... <b>Refund</b> 42	
	43. Amount of refund to be credited to 2008 estimated tax..... <b>2008 Credit</b> ● 43	
	44. <b>Net refund</b> (line 42 minus line 43)..... <b>Net refund</b> 44	

**Schedule ES—Estimated Tax Payments or Other Prepayments**

	Name of payer	Payer FEIN	Date of payment	Amount paid
1. Voucher 1			/ /	1
2. Voucher 2			/ /	2
3. Voucher 3			/ /	3
4. Voucher 4			/ /	4
5. Overpayment of last year's tax elected as a credit against this year's tax .....				5
6. Payments made with extension or other prepayments for this tax year and date paid.....			/ /	6
7. Total prepayments (carry to line 34 above) .....				7

Under penalties of false swearing, I declare that the information in this return and any attachments is true, correct, and complete.

<b>Sign here</b>	Signature of officer <b>X</b>	Signature of preparer other than taxpayer <b>X</b>	License number of preparer ●
	Date	Date	Telephone number ( )
	Print name of officer	Print name of preparer	
	Title of officer	Address of preparer	

**File this return with the Oregon Department of Revenue**

<b>Mail refund returns and no tax due returns to:</b> Refund, PO Box 14777, Salem OR 97309-0960	<b>Mail tax-to-pay returns with payment and payment voucher to:</b> Oregon Department of Revenue, PO Box 14790, Salem OR 97309-0470
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**Schedule AF – Schedule of Affiliates for Form 20-INS** (see instructions)

**Domestic insurers, inter-insurance, and reciprocal exchanges.** Use this schedule to list those affiliates doing business in Oregon that are included in the consolidated return. **(Do not include** the name shown on the heading of this return.) Use a copy of this schedule to list additional affiliates, if necessary, and attach it directly behind this page.

Business Identification Number and Federal Employer Identification Number	Name and Address	If new affiliate during this year, enter date affiliate became part of unitary group	If affiliate ceased to be part of the unitary group during the year, indicate date affiliate left group
BIN _____			
FEIN _____			
BIN _____			
FEIN _____			
BIN _____			
FEIN _____			
BIN _____			
FEIN _____			
BIN _____			
FEIN _____			
BIN _____			
FEIN _____			

**Attach additional schedules if needed.**



# Insurance Excise Tax

This publication is a guide, not a complete statement, of Oregon Revised Statutes (ORS) or Oregon Department of Revenue Administrative Rules (OAR). For more information, refer to the laws and rules on our website, [www.oregon.gov/DOR](http://www.oregon.gov/DOR).

## New Information

The Oregon Legislature passed SB 179, which requires all insurance companies to apportion their income based on a single sales factor. The change applies to tax years beginning on or after January 1, 2007.

### General information

Foreign insurers are subject to the retaliatory tax and the excise tax. The **retaliatory** tax is paid to the Insurance Division of the Oregon Department of Consumer and Business Services. The **excise** tax is paid to the Oregon Department of Revenue.

All **foreign and domestic insurance companies**, including home warranty companies (but not title insurers), that are required to file an excise tax return must file **Form 20-INS** with the Department of Revenue (see filing requirements).

**Title insurers** file **Form 20** instead of Form 20-INS. Title insurers begin with federal taxable income and make the same additions and subtractions that non-insurance corporations make.

**Reinsurance premiums.** Insurance companies may include (if permitted by the department) or the department may require the inclusion of reinsurance premiums in the insurance sales factor. See insurance sales factor, **Schedule AP** instructions.

### Filing requirements

Insurance companies must file an *Oregon Insurance Excise Tax Return* if they are doing business in Oregon. Insurance companies with agents in this state whose only activity is solicitation, or whose only income is premiums from existing policy holders, are doing business in Oregon.

Companies registered with the Insurance Division to do business in Oregon, but not actually doing business during the tax year are **not** required to file an Oregon Form 20-INS and are not subject to the minimum tax.

All insurance companies are required to file an insurance excise tax return on a **calendar year basis**.

Oregon Form 20-INS filers are subject to the **minimum tax**.

**Exempt.** Surplus lines insurance companies and fraternal benefit societies are not subject to the excise tax if exempt under IRC 501(c)(8).

### Separate returns

Foreign insurers and domestic insurers controlled by foreign insurers are required to file insurance excise tax returns on a **separate basis**.

### Consolidated returns

Unitary domestic insurance companies (incorporated in Oregon) not controlled by foreign insurers incorporated outside of Oregon must file a consolidated Oregon return if they were included in a consolidated federal return. An inter-insurance and reciprocal exchange and its attorney-in-fact may file a consolidated return.

### When is my return due?

Returns for the calendar year are due on or before April 15. When the 15th falls on a Saturday, Sunday, or legal holiday, the due date is the next business day.

Interest and a 5 percent **late payment penalty** are charged if the tax is not paid in full by the due date.

### Extension of time for filing

If you need more time to file **both** your federal and Oregon returns:

- Oregon accepts the extension you have for your federal tax return.

If you need an extension of time to file for **Oregon only**:

- Use a federal extension Form 7004, complete the header information, answer question 4, and leave the rest of the form blank.
- Write "For Oregon only" at the top of the form.
- **Do not** send the federal Form 7004 to the department before you file your Oregon return.

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# Filing information

## Important information

### For processing your return

- **Payments.** Please write the following information on your payments:
  - Federal employer identification number (FEIN).
  - Oregon business identification number (BIN).
  - Tax Year 2007.
- Enclose your payment and payment voucher (Form 20-V) with your Oregon return. Do not staple your payment or your voucher to the tax return.
- **Estimated payments.** Please identify all estimated payments claimed by completing Schedule ES on your return. Include the corporation name and FEIN if a payment was made by an affiliate of the filing corporation.
- **Oregon business identification number.** Each corporation is identified by a BIN assigned by the department. You have a BIN if you have made payments to the state of Oregon for payroll taxes; workers' compensation; unemployment; or estimated tax for corporation, excise, or income tax payments. **If you do not have a BIN, one will be assigned when your return is received.**

## Estimated tax

If you expect to owe tax of \$500 or more, the corporation is required to make estimated tax payments. 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 2008.

To make estimated tax payments, include Form 20-V with your payment and mail to: Oregon Department of Revenue, PO Box 14780, Salem OR 97309-0469.

**Electronic funds transfer (EFT).** You must make your Oregon estimated tax payments by EFT if you are required to make federal estimated tax payments by EFT. Information is available at [www.oregon.gov/DOR](http://www.oregon.gov/DOR) or by calling the EFT help/message line at 503-947-2017.

## Interest on underpayment of estimated tax

You may owe interest on any *underpayment* of estimated tax. To avoid an interest charge, make estimated tax payments as required. If you have an underpayment, refer to Form 37, *Underpayment of Oregon Estimated Tax*.

## How to assemble your Oregon tax return

Put your tax return in the following order before mailing:

1. Oregon Form 20-INS.
2. Schedule AP, Apportionment of Income.

3. Schedule AF, Schedule of Affiliates.
4. Form 37, *Underpayment of Oregon Corporation Estimated Tax*.
5. Form 24, *Oregon Like-Kind Exchanges/Involuntary Conversions*.
6. Worksheet FCG-20, *Farm Liquidation Long-Term Capital Gain Tax Rate*.
7. Other Oregon statements.
8. Oregon credit forms including notice of credit transfers.
9. Federal Extension, Form 7004.
10. Copy of federal tax return and schedules.

### Mail tax returns with tax due to:

Oregon Department of Revenue  
PO Box 14790  
Salem OR 97309-0470

### Mail returns with refunds or no tax due to:

Refund  
PO Box 14777  
Salem OR 97309-0960

### Making an extension payment

- Please use Form 20-V when making a payment. Do not use Form 20-V as an extension form.
- Check the "Extension" box on Form 20-V.
- Form 20-V is available on [www.oregon.gov/DOR](http://www.oregon.gov/DOR).
- Make check payable to "**Oregon Department of Revenue.**" **To ensure proper credit to your account, write the BIN (if known), FEIN, and tax year of the filer corporation on your check.**
- **Do not** send a copy of your return or federal extension with your payment.
- Mail any tax due on or before the original due date of your return to avoid penalty and interest. More time to file does not mean more time to pay your tax.
- Mail your payment with Form 20-V to: **Oregon Department of Revenue, PO Box 14780, Salem OR 97309-0469.**

### When you file your return

- Attach a copy of your extension to the **back** of your Oregon return behind Schedule AP.
- Check the "Extension" box on your return.
- Enter the amount of tax paid with your extension on Schedule ES, line 6.

## Federal and Insurance Division audit changes

You must notify the Oregon Department of Revenue if the IRS changes your federal return or the Insurance Division changes your Fire Marshal tax, or retaliatory tax for any tax year and the change affects your computation of Oregon excise tax. If so, you must file an amended Oregon return, and attach a copy of the federal or Insurance Division audit report. Mail this separately from your current year's return to: Oregon Department of Revenue, PO Box 14777, Salem OR 97309-0960. If you do not amend or send a copy of the federal or state audit report, the Oregon Department of Revenue has

two years from the date the department is notified of the change by the IRS to issue a deficiency notice. You **must** file within two years after the date of the federal or state audit report to receive a refund.

## Amended returns

If you amend your federal return or your annual statement and the change affects your computation of Oregon excise tax, you must file an amended Oregon return within 90 days. Attach a copy of the amended federal return to your amended Oregon return and explain the adjustments made. File an amended return using the form for the year of the original return and check the “**Amended**” box.

On the line for estimated tax payments, enter the net excise tax from the original return. Add or subtract prior tax adjustments to your original return.

Do not amend your Oregon return if you amend your federal return to carry a **net operating loss back** to prior years. Oregon allows corporations to carry losses forward, but not back. See the instructions for line 20.

Pay all tax and interest due when you file an amended return or within 30 days after receiving a billing notice from the department. Otherwise, you may be charged a 5 percent late payment penalty.

An amended return may be filed as a protective claim to extend the statute of limitations for a refund request for a tax year while an issue is being litigated. Check the “Amended” box and write the words “Protective Claim for Refund” at the top. We will hold your protective claim until you notify us the litigation has been completed.

## Form 20-INS instructions

### Heading

**Oregon business identification number.** Your Oregon business identification number is required unless this is your first return filed. A number will be assigned to you when you file your first return.

**State School Fund.** Not applicable for tax year 2007.

### Questions

**Foreign insurers and domestic insurers** controlled by foreign insurers are not allowed to file consolidated returns and **should omit questions E and F.**

**Question E(1).** If you checked the box, attach a list of the corporations included in your consolidated federal return.

**Question E(2).** If you checked the box, complete Schedule AF, Schedule of Affiliates, by listing the corporations included in your consolidated **Oregon** return that:

- Are “doing business” in Oregon; or
- Have income from Oregon sources.

**Question E(3).** If you checked the box, attach a list of corporations included in your consolidated federal return that are not included in this Oregon return. List each corporation’s name, Oregon BIN (if any), and FEIN.

**Question F.** A “**low-income taxpayer**” is one that did not have federal taxable income, before net operating loss and capital loss carryovers and carrybacks of \$1 million or more in any one of the last three tax years, not including the current year.

**Question H:** Enter the total number of corporations doing business in Oregon that are included in this return. This number will be used in calculating the minimum tax for this return.

**Question L.** If you are subject to apportionment, Oregon sales is the amount of Oregon total insurance sales entered on Schedule AP-1, line 21, column (A). If you are not subject to apportionment, compute your Oregon sales as if you were subject to apportionment, using Schedule AP-1, lines 18 through 20, column (A). See the instructions for the insurance sales factor.

## Line instructions

Life, accident, and health companies will be identified as “**Life.**” Fire, property, and casualty companies will be identified as “**P&C.**”

### Income

**Line 2. Income, expenses, and other items attributable to separate accounts.** From “Summary of Operations,” page 4, lines 5 and 8.1 of the annual statement for life companies.

**Line 5. Underwriting profit derived from wet marine and transportation insurance.** From “Part II Allocation to Lines of Business Net of Reinsurance,” page Supp 6, lines 8 and 9, column 41, of the P&C annual statement.

### Additions

**Line 8. Federal income taxes.** Add the amount of federal income taxes deducted in computing net income from operations. If a net refund of federal tax is shown on the annual statement (due to an excess of refund for a prior year over current year net tax), enter a negative figure.

Life companies— Annual statement, amount included in “Summary of Operations,” page 4, line 32, plus the tax on capital gain that was netted out of the amount from the annual statement, included in “Summary of Operations,” page 4, line 34.

P&C companies—Use tax on ordinary income from the annual statement, included in “Statement of Income,” page 4, line 19.

**Line 9. State income taxes (all jurisdictions).** Include only the amount of state income taxes included in the following amounts on the annual statement.

Life companies— Annual statement, included in “General Expenses,” page 11, exhibit 3, lines 4 and 6.

P&C companies—Annual statement, included in “underwriting and Investment Exhibit,” page 11, lines 20.1 and 20.4.

**Line 10. Penalty interest on prepayment of loans.** Add any amounts not already included in the computation of net income on the annual statement.

**Line 11. Realized gains and losses.** Add realized gains and losses on sales or exchanges of assets, including non-admitted assets, that were not included in net income from operations. Enter net realized losses as a negative amount.

**Line 12. Decreases in certain reserves.** These are changes that have not been included in the computation of net income from operations. Add **decreases in mandatory reserves** that the insurer is required to maintain by law or by rules or directives of the director of the Department of Consumer and Business Services, **other than** decreases that (a) are deducted in arriving at the insurer’s net gain from operations, or (b) result from net gains or losses, realized or unrealized, in the value of the insurer’s property and investments.

Life companies— Annual statement, “Summary of Operations,” page 4, line 44.

Also add **decreases in reserves for policies and obligations outstanding** before the beginning of the taxable year resulting from changes in the basis and methods of computing such reserves that are justified by accounting and actuarial practices applicable to or accepted by the insurance industry. Such practices are commonly known as “reserve strengthening” or “reserve weakening.”

Life companies— Annual statement, “Summary of Operations,” page 4, line 43.

P&C companies—Annual statement, “Underwriting Income,” page 4, line 37.

## Subtractions

**Line 15. Amortization of past service credits.** Subtract the amortized portion of contribution for past service credits made to qualified plans and exempt employee trusts. The subtraction is for amounts not deducted in the computation of net gain from operations in the annual statement. There is no explicit item in the annual statement.

P&C and life companies— See note(s) in the NAIC annual statement about retirement plans.

**Line 16. Increases in certain reserves.** Subtract increases in reserves described in the instructions for additions on line 12.

**Line 17. Depreciation.** Subtract, if you so elect for Oregon excise tax purposes, additional or accelerated depreciation on real and personal property that is in excess of the depreciation used in computing net gain from operations. You may elect to use any accelerated depreciation method allowable for federal corporation income tax purposes.

**Line 20. Net loss deduction.** A net loss is the aggregate amount of Oregon net losses computed on prior years’ excise tax returns that have not been previously deducted.

**Oregon does not allow net losses to be carried back.** Domestic Oregon insurers may carry net losses occurring in tax years starting on or after January 1, 1987 forward, up to 15 years. Foreign insurers may carry net losses occurring in tax years starting on or after January 1, 1997 forward, up to 15 years.

The total net loss deduction on a consolidated Oregon return is the sum of the net losses available to each of the corporations subject to the limitations in OAR 150-317.476(4).

If you are taxable both in Oregon and another state, do not complete line 20. Any net losses assigned to Oregon during the preceding taxable years (and not previously deducted) must be entered on **Schedule AP-2**, line 10.

**Line 21. Oregon taxable income.** If you are apportioning income to Oregon, enter the amount from **Schedule AP-2**, line 11.

**Line 22. Excise tax.** The tax is 6.6 percent of Oregon taxable income. The minimum tax is \$10 multiplied by the number of corporations shown in question H of page 1.

**Line 23. Tax adjustment for interest on certain installment sales.** If you owe interest on deferred tax liabilities with respect to an installment obligation under ORS 314.302, indicate the amount on this line. Attach a schedule showing how you figured the interest.

## Credits

Credits against the excise tax **must** be claimed in the following order: other credits, workers’ compensation credit, and fire insurance premiums tax credit. These credits are subtracted from the excise tax. The remaining tax is then reduced by the Oregon Life and Health Insurance Guaranty Association (OLHIGA) offset.

Taxpayers must take the full amount of a credit allowed per year.

**Line 25. Other credits.** The following credits and others are explained in *Tax Credits for Corporations* publication.

- Advanced telecommunications facilities (ORS 315.511).
- Alternative fuel vehicle fueling stations (ORS 317.115).
- Biofuel producer (Chapter 739, 2007 Oregon Laws).
- Bone marrow donor expense (ORS 315.604).
- Child Care Division and community agency contributions (ORS 315.213).
- Claim-of-right credit must be claimed on line 33 (ORS 315.068).
- Contribution of computers for scientific equipment research (ORS 317.151).
- Crop donation (form 150-101-240) (ORS 315.156).
- Diesel engine replacement (notes following ORS 315.356).
- Electronic commerce in designated enterprise zone (ORS 315.507).



- Employee and dependent scholarship program payments (ORS 315.237).
- Energy conservation facilities credit (ORS 315.354 and 315.356).
- Farmworker housing (notes following ORS 315.164).
- Film production development contribution (ORS 315.514).
- First break program (ORS 315.259).
- Fish habitat improvement (ORS 315.134).
- Fish screening devices (ORS 315.138).
- Individual development account (ORS 315.271).
- Long-term care insurance premiums (ORS 315.610).
- Long-term enterprise zone facilities (ORS 317.124 and 317.125).
- Mile-based or time-based motor vehicle insurance (notes following ORS 317.122).
- On-farm processing facilities (ORS 315.119).
- Reclaimed plastics recycling (ORS 315.324).
- Reforestation (ORS 315.104 and 315.106).
- Reservation enterprise zone (ORS 285C.309).
- Trust for Cultural Development Account (ORS 315.675).
- University Venture fund credit (ORS 315.521).
- Voluntary removal of riparian land from farm production (ORS 315.113).
- Water Transit vessel credit (ORS 315.517).

**Line 26. Workers' compensation credit.** Insurance companies that write workers' compensation insurance receive a credit against the excise tax. The credit is the lesser of the workers' compensation premium assessment or the excise tax on the profit attributable to the workers' compensation line of business (ORS 317.122). For information on calculating this credit, see the worksheet form *Workers' Compensation Insurance Tax Credit* (150-102-044). See [www.oregon.gov/DOR](http://www.oregon.gov/DOR).

**Line 27. Fire insurance gross premiums tax credit.** Insurance companies that write fire insurance premiums receive a credit against the excise tax for the tax paid to the Insurance Division (ORS 317.122). The credit is for the amount of tax paid to the Insurance Division based on fire insurance premiums paid during the tax year. Enter a credit on your 2007 **Form 20-INS** for the amount of tax shown on your 2007 State Fire Marshal tax return, part 1, line 10, filed with the Insurance Division.

**Line 30. Guaranty association assessment offset.** Credits can be claimed for the assessments paid to the Oregon Life and Health Insurance Guaranty Association (OLHIGA). The assessments can be offset at a rate of 20 percent of the amount paid in each of the five calendar years following the year in which the assessment was paid. See ORS 734.835.

**Line 32. One time small sales credit.** To be eligible for this credit the filing corporation must be a C corporation with Oregon sales of less than \$5 million for the tax year. The amount of the credit is equal to 67 percent of the tax after credits (line 31).

**Line 37. Penalties.** Include a penalty payment if you:

- Mail your tax due after the original due date (even if you have an extension).

- File your excise tax return showing tax due after the due date, including any extension.

Penalty is 5 percent of the unpaid balance of your tax.

If you **file more than three months** after the original or extended due date, add an additional penalty of 20 percent of the unpaid tax. If you do not file returns for three consecutive years by the due date of the third year's return, including extensions, you must pay a 100 percent penalty on the tax liability for each tax year.

**Line 38. Interest.** If you do not pay the tax by the due date, interest will be charged on the unpaid tax. Interest periods generally begin on the 16th day of the month the return is due. Returns are due on the 15th unless the 15th falls on a Saturday, Sunday, or holiday. Interest is figured daily for periods of less than a month. A month, for example, is May 16 to June 15. Interest rates may change once a calendar year.

**To calculate interest due:**

- Tax × Annual interest rate × Number of full years.
- Tax × Monthly interest rate × Number of months.
- Tax × Daily interest rate × Number of days.

**Interest rates and effective dates:**

For periods beginning	Annual	Monthly	Daily
January 1, 2007	9%	0.7500%	0.0247%
January 1, 2008	9%	0.7500%	0.0247%

Interest accrues on any unpaid tax during an extension of time to file.

**Additional interest on deficiencies and delinquencies.** Interest will increase by one-third of 1 percent per month (4 percent yearly) on deficiencies or delinquencies if the following occurs:

- You file a return showing tax due, or the Department of Revenue has assessed an existing deficiency; **and**
- The assessment is not paid within 60 days after the notice of assessment is issued; **and**
- You have not filed a timely appeal.

**Line 39. Interest on underpayment of estimated tax.** You have an underpayment if you paid less than 100 percent of the tax due on each estimated tax payment due date. Interest on underpayment will not be imposed if net excise tax, line 33, is less than \$500 on your 2007 return. If you have an underpayment, you must file **Form 37, Underpayment of Oregon Corporation Estimated Taxes**.

Use **Form 37** to:

- Calculate the amount of underpayment of estimated tax;
- Compute the amount of interest you owe on the underpayment; **or**
- Show that you meet an exception to the payment of interest.

**Attach Form 37 to your return and check the "Form 37" box.**

**Line 41. Total due.** Attach your check or money order to your return. Make your check or money order payable to

the "Oregon Department of Revenue." Do not send cash or postdated checks. Please use blue or black ink. Please include the following information on your check:

- Oregon business identification number (BIN).
- Federal employer identification number (FEIN).
- "2007 Excise Tax."

**Special instructions.** Do you owe penalty or interest and have an overpayment on line 36? If your overpayment is less than total penalty and interest, fill in the result of line 40 minus line 36, on line 41.

## Schedule ES

### Estimated tax payment instructions

**Estimated tax paid for the tax year.** Fill in the total estimated tax payments made before filing your Oregon return. Include any payments made with Form 20-V. Also include any refund applied from your previous year's tax return or an Oregon amended return.

**Consolidated return filers.** If estimated payments were made under a different name, fill in the paying corporation's name and federal identification number on the schedule for correct application of estimated payments.

**Electronic funds transfer (EFT).** You must make your Oregon estimated tax payments by EFT if you are required to make your federal estimated tax payments by EFT.

Payments for corporation estimated taxes may be made using Revenue's electronic funds transfer (EFT) program. This program allows payments to be initiated via telephone, a secure internet site, or through your financial institution.

A business is required to have an authorization agreement filed with the department before it starts initiating EFT payments. Information and authorization agreements are available at [www.oregon.gov/DOR](http://www.oregon.gov/DOR), or by calling the EFT help/message line at 503-947-2017.

The department may grant a waiver from participation in the EFT program if you would be disadvantaged by the requirement (OAR 150-314.518).

**Voluntary participation.** If you do not meet the federal requirements for mandatory participation in the EFT program, you may participate on a voluntary basis.

# Schedule AF

## Schedule of Affiliates instructions

If you file a consolidated Oregon return per the instructions on page 5 and have more than one affiliate doing business in Oregon, you **must** complete **Schedule AF** and submit it with your Oregon return.

List on **Schedule AF** each corporation's name, Oregon business identification number (if known), federal employer identification number, and date each affiliate became part of, or left, the unitary group during the tax year.

List those affiliates that are doing business in Oregon that are included in the Oregon consolidated return.

If you need more room, please make copies of the form as needed.

## Taxpayer assistance

### [www.oregon.gov/DOR](http://www.oregon.gov/DOR)

- Download forms and publications.
- Get up-to-date tax information.
- E-mail: [corp.help.dor@state.or.us](mailto:corp.help.dor@state.or.us).

This e-mail address is not secure and confidentiality cannot be ensured. General tax and policy questions only.

### Telephone

Salem area or outside Oregon ..... 503-378-4988  
Toll-free from Oregon prefix..... 1-800-356-4222

Monday through Friday.....7:30 a.m.–5:00 p.m.  
*Closed Thursdays from 9:00 a.m.–11:00 a.m. Closed on holidays.*

*Extended hours during tax season (wait times may vary):*  
April 1–April 15, Monday–Friday .....7:00 a.m.–7:00 p.m.  
Saturday, April 12.....9:00 a.m.–3:00 p.m.

**Asistencia en español:**  
En Salem o fuera de Oregon ..... 503-378-4988  
Gratis de prefijo de Oregon.....1-800-356-4222

**TTY (hearing or speech impaired; machine only):**  
Salem.....503-945-8617  
Toll-free from Oregon prefix .....1-800-886-7204

**Americans with Disabilities Act (ADA):** Call one of the help numbers for information in alternative formats.

### Correspondence

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