



- Extension is attached
- Form 37 is attached
- Amended return
- First return (see "K", pg. 2)
- Final return (see "L", pg. 2)

FOR DEPARTMENT OF REVENUE USE ONLY				
Code	Tax	P & I	Payment	Date Received
			▼	▼
			▼	▼
			▼	▼
			▼	▼
			▼	▼
			▼	▼
			▼	▼

FORM 20

OREGON CORPORATION EXCISE TAX RETURN

1995

or other taxable year beginning _____, 1995, ending _____, 19____

PLACE MAILING	Name	Federal Employer ID No.
➔	Mailing Address	Oregon Filing No. (see instructions)
LABEL HERE	City	State ZIP Code County

PLEASE ATTACH A COMPLETE COPY OF YOUR FEDERAL FORM 1120 OR 1120-A AND SCHEDULES

1. Taxable income from U.S. corporation income tax return, Form 1120 or 1120-A (see instructions) • 1

ADDITIONS (see instructions)

- | | | | |
|---|-----|---|----------------------|
| 2. State, municipal, and other interest income excluded in arriving at line 1 | 2 | ▼ | <input type="text"/> |
| 3. Oregon excise tax deducted in arriving at line 1 | 3 | ▼ | <input type="text"/> |
| 4. Other state or foreign taxes on or measured by net income or profits | 4 | ▼ | <input type="text"/> |
| 5. Federal depreciation or amortization in excess of Oregon allowance | • 5 | ▼ | <input type="text"/> |
| 6. Income of related FSC or DISC | • 6 | ▼ | <input type="text"/> |
| 7. Other additions. Attach schedule and explanation | 7 | ▼ | <input type="text"/> |
| 8. Total additions (add lines 2 through 7) | • 8 | | <input type="text"/> |
| 9. Income after additions (line 1 plus line 8) | 9 | | <input type="text"/> |

SUBTRACTIONS (see instructions)

- | | | | |
|---|------|---|----------------------|
| 10. Oregon depreciation or amortization in excess of federal allowance | • 10 | ▼ | <input type="text"/> |
| 11. Federal jobs tax credit wages not deducted on federal Form 1120 or 1120-A..... | 11 | ▼ | <input type="text"/> |
| 12. Dividend deduction. Attach schedule and explanation | • 12 | ▼ | <input type="text"/> |
| 13. Income of nonunitary corporations. Attach schedule and explanation | • 13 | ▼ | <input type="text"/> |
| 14. Other subtractions. Attach schedule and explanation | 14 | ▼ | <input type="text"/> |
| 15. Total subtractions (add lines 10 through 14) | • 15 | | <input type="text"/> |
| 16. Income before net loss deduction (line 9 minus line 15) | 16 | | <input type="text"/> |

If income is derived from sources both in Oregon and other states, carry the amount on line 16 to line 1, Schedule C-2, and skip line 17 below.

- | | | | |
|--|---------------------------------------|------|----------------------|
| 17. Net loss deduction and net capital loss deduction. Attach schedule (see instructions) | • 17 | ▼ | <input type="text"/> |
| 18. Oregon taxable income (line 16 minus line 17 or amount from line 9, Schedule C-2) | • 18 | ▼ | <input type="text"/> |
| 19. Excise tax (6.6% of line 18) (minimum tax is \$10) | • 19 | | <input type="text"/> |
| 20. Total credits (from line 16, Schedule A) | • 20 | | <input type="text"/> |
| 21. Excise tax after credits (line 19 minus line 20) (not less than \$10) | 21 | | <input type="text"/> |
| 22. 1993-1995 state surplus refund (50.1% of line 21) | 22 | | <input type="text"/> |
| 23. Tax adjustment for LIFO benefit recapture (see instructions) | • 23 | ▼ | <input type="text"/> |
| 24. Net excise tax (not less than \$10) (line 21 minus lines 22 and 23) | 24 | ▼ | <input type="text"/> |
| 25. Prepayments on this return (from line 7, Schedule B) | • 25 | ▼ | <input type="text"/> |
| 26. Tax Due or <Overpayment> (line 24 minus line 25) | Tax Due or <Overpayment> | • 26 | <input type="text"/> |
| 27. Penalty and interest due with this return (see instructions) | 27 | ▼ | <input type="text"/> |
| 28. Total now due (line 26 plus line 27) | 28 | | <input type="text"/> |
| 29. Refund available (line 25 minus lines 24 and 27) | Refund | 29 | <input type="text"/> |
| 30. Amount of refund to be credited to 1996 estimated tax | 1996 Credit | 30 | <input type="text"/> |
| 31. Net Refund (line 29 minus line 30) | Net Refund | 31 | <input type="text"/> |

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

SIGN HERE	Signature of officer		Date		Signature of preparer other than taxpayer
	Title				Address

FILE THIS RETURN WITH THE OREGON DEPARTMENT OF REVENUE, PO BOX 14777, SALEM OR 97309-0960

PLEASE COMPLETE THE FOLLOWING

- ◆ A. Incorporated in _____ (state), on _____ (date)
- ◆ B. State of commercial domicile _____
- ◆ C. Date began business activity in Oregon _____
- ◆ D. Business Activity Code from your federal return _____
Principal business activity _____
- E. Telephone number (____) _____
- F. Accounting method _____
- G. Did you file under the same name last year? Yes No
If No, please enter name you filed under last year _____
- H. (1) Was a consolidated federal return filed? Yes No
- (2) Is this a consolidated Oregon return? Yes No
- (3) Are corporations included in the consolidated federal return, but not in the Oregon return? Yes No
If (1), (2), or (3) is Yes, please see instructions.
- ▼ I. List the tax years for which federal waivers of the statute of limitations are in effect and dates on which waivers expire:

- ▼ J. Has your federal taxable income for a prior year changed due to an IRS audit or an amended return you filed during this tax year? Yes No

If Yes, for what years? _____ Send a copy of the agent's report or the amended return under separate cover, if not furnished previously.

- ◆ K. If this is your **first** return, indicate whether: New business, or Successor to previously existing business. Enter name, address, and federal employer identification number of previous business _____
- ◆ L. If this is your **final** return, indicate whether: Withdrawn Dissolved Merged or reorganized (date) _____
Name of survivor corporation/FID# _____
- M. (1) Do your employees perform services in the Tri-County Transportation District? Yes No
- (2) Do your employees perform services in the Lane County Mass Transit District? Yes No
If (1) or (2) is Yes, have the correct tax returns been filed with the Department of Revenue? Yes No
See instructions.
- ◆ N. Is this a Publicly Traded Partnership? Yes No

SCHEDULE A — CREDITS AGAINST TAX (For information on credits, see information circular "Tax Credits for Corporations" (150-102-694))

1. Pollution control facility credit (form 150-102-029).....	● 1	▼
2. Lender's credit: Weatherization — Loans prior to 11-01-81 (form 150-102-125)	● 2	▼
3. Lender's credit: Energy conservation — Loans after 12-31-81 (form 150-102-125).....	● 3	▼
4. Lender's credit: Low income housing — Loans after 12-31-89 (form 150-102-125).....	● 4	▼
5. Lender's credit: Farmworker housing — Loans after 12-31-89 (form 150-102-125).....	● 5	▼
6. Business energy credit	● 6	▼
7. Farmworker housing project investment credit	● 7	▼
8. Fish screening device credit	● 8	▼
9. Dependent care credit (form 150-102-032).....	● 9	▼
10. Health care insurance credit	● 10	▼
11. Research credit (form 150-102-128).....	● 11	▼
12. Bone marrow donation program credit	● 12	▼
13. Child development credit	● 13	▼
14. Youth apprenticeship program credit	● 14	▼
15. Other credits (see instructions). Identify	● 15	▼
16. Total credits (carry to line 20, page 1)	16	▼

SCHEDULE B — ESTIMATED TAX PAYMENTS OR OTHER PREPAYMENTS

Voucher Form 20-ES	Date of Payment			Amount Paid
	Month	Day	Year	
1. Voucher 1	1			1
2. Voucher 2	2			2
3. Voucher 3	3			3
4. Voucher 4	4			4
5. Overpayment of last year's tax elected as a credit				5
6. Payments made with extension or other prepayments for this tax year (specify amount and date made) ...				6
7. Total prepayments (carry to line 25, page 1)				7
8. Last year's net excise tax			▼ 8	
9. Check box if you are not a "high-income taxpayer" (see Form 37 instructions) ...			▼	

If the amount on line 24, page 1 is \$500 or more, see the instructions for interest on underpayment of estimated tax, page 2 of Instructions for Form 20.

SCHEDULE C — APPORTIONMENT OF INCOME (see instructions on reverse side)

1. Describe the nature and location(s) of your Oregon business activities _____
2. Enter the address and telephone number of the office where Oregon tax records are maintained _____

SCHEDULE C-1 — APPORTIONMENT FORMULA

1. Property Factor

Value of real and tangible personal property used in the unitary business (owned, at average value; rented, at capitalized value):

- a. Owned property (at original cost; see instructions)
 - Inventories
 - Buildings and other depreciable assets
 - Land
 - Other assets (describe) _____
 - Minus: Construction in progress
 - Total of section a
- b. Rented property (capitalize at 8 times the rental paid) ...
- c. Total owned and rented property

(A) Total Within Oregon	(B) Total Within and Without Oregon	(C) Percent Within Oregon (A ÷ B) × 100
()	()	
\$	\$	%

2. Payroll Factor

Wages, salaries, commissions, and other compensation to employees:

- a. Compensation of officers
- b. Other wages, salaries, and commissions
- c. Total wages and salaries

\$	\$	%

3. Sales Factor

- a. Sales delivered or shipped to Oregon purchasers:
 - (1) Shipped from outside Oregon
 - (2) Shipped from inside Oregon
- b. Sales shipped from Oregon to:
 - (1) The United States Government
 - (2) Purchasers in a state or country where the corporation is not taxable (e.g., under Public Law 86-272)
- c. Other business gross receipts
- d. Total sales and other business gross receipts

\$	\$	%
\$	\$	%

5. Total percent (add items 1, 2, 3, and 4, column C)
6. Average percent (divide line 5 by the number of factors in column B) (enter on line 4, Schedule C-2) (compute percent to 4 decimal places (e.g., 12.3456%))

SCHEDULE C-2 — COMPUTATION OF TAXABLE INCOME

1. Net income from business both in Oregon and other states (from line 16, page 1)	1	
2. Minus: Net nonbusiness income and gains from prior year installment sales included in line 1. Attach schedule (see instructions)	2	
3. Total net income subject to apportionment (line 1 minus line 2)	3	
4. Oregon apportionment percentage (from line 6, Schedule C-1)	4	× %
5. Income apportioned to Oregon (line 4 times line 3)	5	
6. Add: Net nonbusiness income allocated entirely to Oregon and gains from prior year installment sales apportioned to Oregon. Attach schedule (see instructions)	6	
7. Total of lines 5 and 6	7	
8. Minus: Oregon apportioned net loss from prior years and net capital loss from other years (see instructions for line 17)	8	
9. Oregon taxable income (line 7 minus line 8) (carry to line 18, page 1)	9	

INSTRUCTIONS — SCHEDULE C, C-1, AND C-2 — APPORTIONMENT OF INCOME

Consolidated Returns. If a corporation is a member of an affiliated group of corporations that filed a consolidated federal return, it must file an Oregon return based on that federal return.

A consolidated Oregon return is required when two or more affiliated corporations are:

- Included in a consolidated federal return;
- Unitary; **and**
- At least one of the affiliated corporations is authorized or is doing business in Oregon or has income from Oregon sources.

For more information on Oregon's consolidated return requirements, see Oregon Revised Statutes (ORS) 317.705 through 317.715 and the rules thereunder.

Corporations not included in a consolidated federal return must file a separate Oregon return if doing business or registered to do business in Oregon.

Apportionment and Allocation. Apportionment is dividing business income between the states by use of a formula. Allocation is the assignment of specific nonbusiness income to a state. A corporation having unitary business activities both inside and outside Oregon must use the apportionment and allocation methods provided under the Uniform Division of Income for Tax Purposes Act (ORS 314.605 through 314.670), ORS 314.680 through 314.690, and the rules under ORS 314.280.

The following businesses use modified or different apportionment factors as provided in the following Oregon Administrative Rules (OARs) and laws:

Domestic insurance companies	ORS 317.660
Title insurance companies incorporated in Oregon	OAR 150-314.280-(E)
Health care service contractors	OAR 150-314.280-(E)
Financial corporations	OAR 150-314.280-(N)
Railroads	OAR 150-314.280-(H)
Airlines	OAR 150-314.280-(I)
Trucking companies	OAR 150-314.280-(J)
Sea transportation companies	OAR 150-314.280-(K)
Interstate river transportation companies	OAR 150-314.280-(L)
Long term construction contractors	OAR 150-314.615-(F)
Movie and television production companies	OAR 150-314.615-(H)
Interstate broadcasters	ORS 314.682 OAR 150-314.684 (4) OAR 150-314.686

Oregon income is the total of the corporation's apportioned and allocated income assigned to Oregon.

Schedule C must be completed by each corporation carrying on a unitary business both inside and outside Oregon. If another method of assigning income is proposed, Schedule C still must be completed. A full explanation of the other method must be made.

The denominators of the property, payroll, and sales factors shall include amounts only from corporations included in the consolidated federal return **and** part of the unitary group. The numerators of the factors must include the Oregon property, payroll, and sales from each of the corporations taxable by Oregon.

Property Factor. (1) Value owned property at original cost. Show the average value during the taxable year of real and tangible personal property used in the business. This is the average of property

values at the beginning and end of the tax period. An average of the monthly values may be required if a more reasonable value results.

(2) Value rented property at eight times the annual rental value. Reduce the annual rental value by nonbusiness subrentals.

Enter all owned or rented business property in Column B of Schedule C-1. Enter business property within Oregon in Column A. See ORS 314.655 and the rules thereunder.

Payroll Factor. Assign payroll to Oregon if:

- The services are performed entirely inside Oregon; **or**
- The services are both inside and outside Oregon but those services outside are only incidental; **or**
- Some of the services are performed in Oregon and (a) the base of operation or control is located in Oregon, or (b) the base of operation or control is not in any state in which the services are performed and the employee's residence is in Oregon.

See ORS 314.660 and the rules thereunder.

Sales Factor. Assign sales to Oregon if:

- The property is shipped or delivered to a purchaser in Oregon other than the United States Government; **or**
- The property is shipped from a warehouse or other place of storage in Oregon; and (a) the purchaser is the United States Government or (b) the corporation is not taxable in the state of the purchaser. See ORS 314.665(3) for exception.

See ORS 314.620 and Public Law 86-272 to determine if a corporation is taxable in another state.

Charges for services are Oregon sales to the extent the services are performed in Oregon. See ORS 314.665 and the rules thereunder.

Line 5. Average percent. Divide the sum of the property factor, the payroll factor, and two times the sales factor by 4 if the corporation had all of these factors. Reduce the denominator of 4 by the number of factors with a zero denominator. Example: If a unitary group of corporations had no payroll anywhere, the payroll factor would have a zero denominator and the sum of the factors would be divided by 3 (if no sales, divide by 2).

Business and Nonbusiness Income. "Business income" is income arising from transactions and activities in the regular course of the taxpayer's business. It includes income from tangible and intangible property related to the regular business operation.

Examples of business income are:

- Sales of products or services;
- Rents, if property rental is a related business activity;
- Royalties, if the patent, processes, etc., were developed by or used in the business operation;
- Gain or loss on the disposal of business property;
- Interest income on trade receivables or installment contracts arising out of the business or from the investment of working capital.

"Nonbusiness income" means all income other than business income. Rents, royalties, gains or losses, and interest can also be nonbusiness income if they arise from investments not related to the taxpayer's business. Nonbusiness income is allocated to a particular state based upon the source of the income. Gain or loss from the sale of a partnership interest may be allocable to Oregon. See ORS 314.635(4). A schedule of nonbusiness income must be attached to the return. The amounts allocable to Oregon must be added to Oregon's apportioned income. See ORS 314.610 and the rules thereunder.