Corporation 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 Web site, www.dor.state.or.us.

New information

Apportionment (ORS 314.650, 314.280)

For tax years beginning on or after May 1, 2003, business income is apportioned to Oregon by multiplying the income by a multiplier equal to 80 percent of the sales factor plus 10 percent of the property factor plus 10 percent of the payroll factor. Taxpayers primarily engaged in utilities or telecommunications may elect to apportion income from business activity using the double-weighted sales factor formula provided in ORS 314.650 (1999 edition). The election may be revoked later. See Oregon Administrative Rule (OAR) 150-314.280(3) for instructions on making the election or revocation.

There are new schedules for computing Oregon apportionment percentage. See Schedule AP instructions.

New form

Oregon extension form. If you plan to file an extension, use Form 20-EXT to make a tax payment to Oregon. See our Web site at www.dor.state.or.us/formscorp.html.

New questions on Form 20

Question G. If the Oregon corporation is a subsidiary in an affiliated group, or a parent subsidiary controlled group, enter the name and FEIN of the parent subsidiary controlled group, see IRS Form 1120, Schedule K.

Question L. Taxpayers primarily engaged in utilities or telecommunications may elect to apportion income using double-weighted sales factor formula [OAR 150-314.280(3)].

Question M. Non-apportioning corporations, enter the amount of Oregon sales, as determined under ORS 314.665 and the rules thereunder.

Form changes

Form 20-I, *Corporation Income Tax,* is no longer combined with Form 20 in our booklets. It is available in a separate booklet on our Web site, in software programs, and upon request. See “Taxpayer assistance.”

Form 20ES. Oregon will no longer mail personalized 20ES coupons. The 20ES estimated payment coupon will be available in software programs, on our Web site, and upon request. To order, see “Taxpayer assistance.”

Form 37. The instructions for high-income taxpayers have been revised.

Rounding cents to the nearest whole dollar. Please round all amounts to the nearest whole dollar. You will no longer enter cents on your return. Drop amounts less than 50 cents, and increase amounts from 50 to 99 cents to the next dollar.

Looking ahead to tax year 2004

Credits

Voluntary removal of riparian land from farm production credit (ORS 315.113). A credit is allowed for 75 percent of the market value of crops foregone when riparian land is voluntarily taken out of farm production in tax years beginning on or after January 1, 2004.

Child Care Division contributions and community agency contributions (ORS312.213). If you claim the credit for Oregon and you also claimed a deduction on the federal return, you must add the amount of credit claimed to your Oregon taxable income for tax years beginning on or after January 1, 2004.

Contents

Checklist of forms and schedules (* indicates form is included in this booklet)

For forms not included in this booklet, go to our Web site at www.dor.state.or.us

Form number	*Who must file*
*Form 20	Every corporation (except S corporations and insurance companies) doing business in Oregon.
Form 20ES	Every corporation that estimates its 2004 tax liability to be $500 or more.
Form 20-I	Every corporation (except S corporations and insurance companies) with income from an Oregon source, but **not** doing business in Oregon. **Every Real Estate Mortgage Investment Conduit (REMIC) required to file.**
Form 20-INS	Every insurance company doing business in Oregon.
Form 20-S	Every S corporation doing business in Oregon or with income from an Oregon source.
*Form 37	Every corporation with an underpayment of estimated tax or meeting an exception.
*Schedule AF	Every corporation doing business in Oregon with affiliates.
*Schedule AP	Every corporation apportioning income.
Federal Form 1120 or 1120-A**	Every corporation required to file. *(**In general, Oregon's computation of corporation taxable income begins with federal taxable income, with certain modifications. See line instructions for modifications.)*

2003 Filing information

Important information

For processing your return

- Please use blue or black ink to prepare your return. Equipment used to scan documents cannot read certain types and colors of ink, especially gel pens and red ink.
- **Payments.** Please include the following information on your payments:
  - — Federal employer identification number (FEIN).
  - — Oregon business identification number (BIN). If you do not have a BIN, one will be assigned when your return is filed.
  - — If you do not know your BIN, an officer of the corporation may call to acquire the BIN. See "Taxpayer assistance."
  - — The tax year that your payment is for.
  - — Type of tax your payment is for (excise).
- Attach your payment to the front of your Oregon 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.

How to assemble your Oregon tax return

Put your tax return in the following order before mailing:

1. Oregon Form 20.
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. Federal Extension, Form 7004.
8. Copy of federal tax return and schedules.

Oregon corporation tax law, in general, is tied to the Internal Revenue Code (IRC) as amended and in effect on December 31, 2002. Exceptions are provided in ORS 314.010, including depreciation and expensing of depreciable assets which are tied to federal law in effect for the tax year of the return. Please contact us if you have a question about how a change to the IRC, effective after December 31, 2002, affects your Oregon return. Oregon's definition of taxable income for corporations begins with federal taxable income, with modifications required under Oregon tax law.

What form do I use?

Oregon follows the federal entity classification (check-the-box) regulations. Therefore, if an entity is classified or taxed as a corporation for federal income tax purposes, it will be treated as a corporation for Oregon tax purposes.

Form 20—Oregon corporation excise tax filing requirements

File **Form 20,** *Oregon Corporation Excise Tax Return,* if you are doing business in Oregon.

"Doing business" means being engaged in any profit-seeking activity in Oregon not protected by federal Public Law 86-272. A taxpayer having one or more of the following in this state is clearly doing business in Oregon:

- A stock of goods.
- An office.
- A place of business (other than an office) where affairs of the corporation are regularly conducted.

"Doing business" also includes providing services to customers as the primary business activity or incidental to the sale of tangible or intangible personal property.

Generally, if you have an Oregon address you file a **Form 20.**

Domestic and foreign **insurance companies** subject to the Oregon excise tax are required to file a Form 20-INS.

Excise tax is a tax for the privilege of doing business in Oregon. It is measured by net income. All interest is included in income, no matter what its source. This includes interest on obligations of the United States, its instrumentalities, and all of the 50 states and their subdivisions.

Excise tax filers are subject to a $10 minimum tax.

Corporations with **no business activity** in Oregon, even if incorporated in or registered to do business in the state, are **not** subject to the minimum tax, and are not required to file an excise tax return. You may be subject to Oregon corporation income tax if you have income from an Oregon source.

Form 20-I—Oregon corporation income tax filing requirements

File **Form 20-I,** *Oregon Corporation Income Tax Return*, if your corporation derives income from sources within Oregon, but the income-producing activity does not actually constitute "doing business."

Income is from an Oregon source if it is derived from:

- Tangible or intangible property located in Oregon; or
- Any activity carried on in Oregon, whether intrastate, interstate, or foreign commerce.

Do not use Form 20-I if your corporation **is doing business** in Oregon. Instead, use Form 20, *Oregon Corporation Excise Tax Return*.

There is no minimum tax for corporate income tax filers.

Certain exempt nonprofit corporations and private foundations must file and pay tax on income that is unrelated to the organization's exempt purposes (ORS 317.920). Lobbying expenses are subject to tax under IRC 6033(e). For more information, see "Taxpayer assistance" to order the information circular *Information for Tax Exempt Organizations* (150-102-617).

Form 20-I is available on our Web site.

Filing requirements

Consolidated returns (ORS 317.705–317.725). 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 doing business in Oregon or has income from Oregon sources.

Unitary business. A unitary business is one that has, directly or indirectly between members or parts of the enterprise, either a sharing or an exchange of value shown by:

- Centralized management or a common executive force.
- Centralized administrative services or functions resulting in economies of scale.
- Flow of goods, capital resources, or services showing functional integration.

Corporations that are not unitary are excluded from the consolidated Oregon return.

Separate returns. Any corporation that files a separate federal return must file a separate Oregon return. Corporations not included in a consolidated federal return must file a separate Oregon return if doing business in Oregon or if the business has income from an Oregon source.

A corporation subject to Oregon taxation must also file a separate Oregon return if it was included in a consolidated federal return, but was not unitary with any of the other affiliates. Oregon taxable income is computed by subtracting the income of the non-unitary affiliates from the taxable income from the consolidated federal return.

Publicly traded partnerships

A "publicly traded partnership" is a partnership treated as a corporation for federal income tax purposes under IRC 7704.

The partners in a publicly traded partnership are not subject to tax on their distributive shares of partnership income. The publicly traded partnership is subject to corporation excise tax if it is doing business in Oregon or corporation income tax if it has income from an Oregon source.

REMICs (ORS 314.260)

A REMIC (Real Estate Mortgage Investment Conduit) must file Form 20-I if it derives prohibited transaction income from Oregon sources or has any resident holders of a residual interest. Income is from an Oregon source if it is derived from tangible property located in Oregon or from intangible property that is used in an Oregon business.

All REMICs required to file must file Form 20-I and attach a complete copy of federal Form 1066. The REMIC must also attach a federal Schedule Q for each residual interest holder for each quarter of the tax year. See the instructions for line 16 if net income is received from prohibited transactions.

Limited Liability Companies (LLC)

An LLC can be taxed as a partnership or a corporation. Oregon follows federal law in determining how an LLC is taxed.

An LLC taxed as a corporation must file an *Oregon Corporation* ***Excise*** *Tax Return* (Form 20) if doing business in Oregon or an *Oregon Corporation* ***Income*** *Tax Return* (Form 20-I) if not doing business in Oregon but the LLC is receiving income from an Oregon source.

An LLC taxed as a partnership must file an Oregon partnership return (Form 65) if doing business in Oregon, receiving income from an Oregon source, or if it has any Oregon resident members. If the LLC has a corporate member, the member is taxed on its share of the LLC's Oregon income.

If an LLC is part of a corporation's overall business operations and is treated as a partnership, include the corporation's ownership share of LLC property, payroll, and sales in the apportionment percentage calculation on Schedule AP-1. See OAR 150-314.650.

Political organizations

Political organizations (campaign committees, political parties) normally do not pay state or federal taxes. However, income earned from investments is taxable. Examples include interest earned on deposits, dividends from contributed stock, rents or royalties, and gains from the sale of contributed property.

Political organizations that are **incorporated** must file Form 20, *Oregon Corporation* ***Excise*** *Tax Return*. **Unincorporated** political organizations with taxable income are treated as corporations and must file Form 20-I, *Oregon Corporation* ***Income*** *Tax Return*. Unincorporated political organizations with no taxable income do not have to file an Oregon corporation tax return.

For more information, see "Taxpayer assistance" to order the circular *Political Organizations* (150-102-663).

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. Returns for other tax periods are due on or before the 15th day of the month following the due date of the federal return. **Do not file your return before the end of your tax year.**

Oregon will not charge a **late filing penalty** if the return is filed by the Oregon due date, including extensions. Interest and a 5 percent **late payment penalty** are charged if the tax is not paid 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:***

- Attach a copy of federal extension Form 7004 to your Oregon return when you file (see "How to assemble your return").
- Write "For Oregon only" at the top of the form.
- Enter the information for question 1, and leave questions 2 through 6 blank.
- **Do not** send the federal Form 7004 to the department before you file your Oregon return.

If you're making an extension payment

- Please use Form 20-EXT when paying tax due.
- Form 20-EXT is available on our Web site at www.dor.state.or.us/formscorp.html.
- Make check payable to **"Oregon Department of Revenue."**
- **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 Form 20-EXT 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. It should be the last item before the federal corporation return (see "How to assemble your return").
- Check the box on your return indicating **"an extension is attached."**
- Enter the amount of tax paid with Form 20-EXT on Form 20, line 34.

Federal audit changes

If the IRS changes your federal net income for any tax year, you must notify the Oregon Department of Revenue. File an amended Oregon return and attach a copy of the federal 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 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 report to receive a refund.

Amended returns

If you change taxable income by amending your federal return, you must file an amended Oregon return within **90 days.** Attach a copy of your amended federal return to your amended Oregon return and explain the adjustments made. Use the form for the tax year you are amending and check the box indicating **"this is an amended return."**

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

Do not amend your Oregon return if you amend the federal return to carry a **net operating loss back** to prior years. Oregon allows corporations to carry net operating losses forward, but not back. See instructions for Form 20, line 14. **Capital losses** must be carried back three years and then forward five tax years.

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 box indicating "this is an amended return" and write the words "Protective Claim for refund" at the top in blue ink. We will hold your protective claim until you notify us the litigation has been completed.

Deferred gain

Corporations may defer, for Oregon tax purposes, all gains realized in the exchange of like-kind property and involuntary conversions under IRC § 1031 or 1033, even though the replacement property is outside Oregon. Oregon will tax the deferred gain when it is included in federal taxable income.

Attach a copy of your Oregon Form 24 to the back of your Oregon return and check the box indicating **"Form 24 is attached"** if **all** of the following apply:

- The corporation reported deferred gain on a federal Form 8824;
- All or part of the property given up was located in Oregon; and
- All or part of the acquired property was located outside of Oregon.

Form 20 instructions

Heading

Type or legibly print your corporation's name, address, federal employer identification number (FEIN), and your Oregon business identification number (BIN).

Generally, a consolidated Oregon return is filed in the name of the common parent corporation. If the parent corporation is not doing business in Oregon, file the return in the name of the member of the group having the greatest presence in Oregon. "Having the greatest presence" means the member that has the largest Oregon property value as determined under ORS 314.655 (see Schedule AP-1, Property Factor). Enter the FEIN and BIN of the corporation named as the filer on the consolidated Oregon return.

Oregon business identification number. Each corporation is identified by a business identification number (BIN) assigned by the department. You may have an assigned BIN if you make payroll tax, workers' compensation tax, unemployment tax, or estimated tax for corporation excise or income tax payments. The BIN is located on the upper right corner of the payroll tax coupon. **If you do not have a BIN, one will be assigned when your return is received.**

If you do not know your BIN, an officer of the corporation may contact us. See "Taxpayer assistance."

Questions

Answer questions A through M. Furnish additional information where necessary.

Question E(1). If the answer is YES, attach a list of the corporations included in the consolidated **federal** return.

Question E(2). If the answer is YES, complete **Schedule AF,** Schedule of Affiliates, to list only the corporations included in the consolidated **Oregon** return (see Schedule AF and instructions) that:

- Are "doing business" in Oregon; **or**
- Have income from Oregon sources.

Question E(3). If the answer is YES, attach a list of corporations included in the consolidated federal return that are not included in this Oregon return. List each corporation's name, business identification number (if any), and federal employer identification number.

Question F. A "**high-income taxpayer"** is one that had federal taxable income, before net operating loss and capital loss carryovers and carrybacks, of $1,000,000 or more in any one of the last three tax years, not including the current year.

Question G. If the Oregon corporation is a subsidiary in an affiliated group, or a parent subsidiary controlled group, enter the name and FEIN of the parent corporation. For definition of a subsidiary in an affiliated group or a parent subsidiary controlled group, see IRS Form 1120, Schedule K.

Question L. Taxpayers primarily engaged in utilities or telecommunications may elect to apportion income using double-weighted sales factor formula [OAR 150-314.280(3)]. Check the box if making this election.

Question M. Non-apportioning corporations, enter the amount of Oregon sales, as defined by ORS 314.665.

Line instructions

The following instructions are for lines not fully explained on the form.

Line 1. Taxable income from U.S. corporation income tax return. Enter the taxable income actually reported for federal income tax purposes **before** net operating loss or special deductions (federal Form 1120, line 28; or Form 1120-A, line 24).

Additions

Line 2. Certain interest excluded on the federal return. Oregon gross income includes interest on all state and municipal bonds or other interest excluded for federal tax purposes. Reduce the addition by any interest incurred to carry the obligations and by any expenses incurred in producing this interest income (ORS 317.309).

Line 3. Oregon excise tax and other state taxes on or measured by net income. Oregon excise tax may not be deducted on the Oregon return. Taxes of other states or foreign governments on or measured by net income or profits may not be deducted on the Oregon return. If you subtracted these taxes on your federal return, you must add them back on your Oregon return. However, local taxes, such as the Multnomah County Business Income tax, are deductible (ORS 317.314).

Line 4. Income of related FSC or DISC. Net income or loss must be included in the net income of the related U.S. affiliate (ORS 317.283 and 317.286).

Line 5. Other additions. Enter the amount by which any item of gross income is greater under Oregon law than under federal law, or the amount by which any allowable deduction is less under Oregon law than under federal law. See ORS 317.151 through 317.488 and 317.625. Examples:

- **Gain or loss on the disposition of depreciable property.** The difference in gain or loss on sale of business assets when the Oregon basis is less than it is for federal purposes (ORS 317.356).
- **Safe harbor lease agreements.** Oregon does not tie to the federal safe harbor lease provisions. See OAR 150-317.349-(A) and 150-317.349-(B) for details about the adjustments required for Oregon.
- **Capital construction fund.** Amounts deferred under Section 607 of the Merchant Marine Act of 1936 and IRC 7518 must be added back to income (ORS 317.319).
- **IRC 631(a) treatment of timber is not recognized by Oregon.** Both beginning and ending inventories must be adjusted for IRC 631(a) gain. For Oregon purposes, there is no taxable event until actual sale (ORS 317.362).
- **Federal bad debt reserve addition of a financial institution to the extent that it exceeds the amount that is allowable for Oregon.** The bad debt method of financial institutions is tied to the federal method. For taxpayers required to use the specific write-off method, an addition must be made if the amortization of the federal reserve is less than the amortization of the Oregon reserve (ORS 317.310).
- **Net federal capital loss deduction.** If the Oregon and federal capital loss deductions are different, add the federal capital loss back to income on this line. The Oregon capital loss will be deducted on either page 1, line 14 (by corporations not required to apportion income); or Schedule AP-2, line 10 (by corporations required to apportion income) (OAR 150-317.013).
- **Percentage depletion in excess of cost.** Percentage depletion is allowed only on metal mines. All other assets are limited to cost depletion (ORS 317.374).
- **Inventory costs.** The costs allocable to inventory are the same as those included in IRC 263A. Differences in depreciation and depletion allocable to inventory result in a modification [ORS 314.287(3)].
- **Losses of non-unitary corporations.** The net losses of non-unitary corporations included in a consolidated federal return must be eliminated from the Oregon return. Attach a schedule showing computation of the net loss eliminated. See instructions for line 10 and line 14 [ORS 317.715(2)].
- **Unused business credits.** Unused business credits taken as a federal deduction under IRC 196 must be added back to Oregon income (ORS 317.304).
- **Long-term care insurance premiums.** Premiums deducted on the federal return must be added back if the Oregon credit is claimed under ORS 315.610 (ORS 317.322).
- **Individual development accounts credit.** Donations deducted on the federal return must be added back to Oregon income if the credit is claimed [ORS 315.271(2)].
- **Income from sources outside the United States.** Income not included in federal taxable income under IRC 861 or 864 (ORS 317.625).
- **Dependent care credit.** The business expense deducted for providing dependent care assistance, information, or referral services must be reduced by the amount of dependent care credit claimed [ORS 315.204(7)].
- **Contributions of computers or scientific equipment for research to educational organizations credit.** The amount of federal deduction must be added to federal taxable income if the Oregon credit is claimed [ORS 317.151(4)].
- **Claim of right income repayment adjustment when credit is claimed.** The deduction under section 1341 of the Internal Revenue Code on the federal return must be added back to federal taxable income on the Oregon return if the Oregon credit is claimed (ORS 317.388).

Subtractions

Line 8. Work opportunity credit wages not deducted on the federal return. Enter the amount of wages that were not deducted on the federal return because the work opportunity credit was claimed (ORS 317.303).

Line 9. Dividend deduction. A 70 percent deduction is allowed for qualifying dividends regardless of geographic source. An 80 percent deduction is allowed for dividends received from corporations whose stock is owned 20 percent or more. Use the worksheet below to compute the Oregon deduction (ORS 317.267).

Line 10. Income of non-unitary corporations. Net income of non-unitary corporations included in a consolidated federal return must be eliminated from the Oregon return. Net income includes the separate taxable income, as determined under Treasury Regulations adopted for IRC 1502, and any deductions, additions, or items of income, expense, gain, or loss for which consolidated treatment is prescribed. Attach a schedule showing computation of the net income eliminated [ORS 317.715(2)].

Line 11. Other subtractions. Enter the amount by which any item of gross income is less under Oregon law than under federal law or the amount by which any allowable deduction is greater under Oregon law than under federal law. See ORS 317.151 through 317.488 and 317.625. Examples:

- **Gain or loss on the sale of depreciable property.** The difference in gain or loss on the sale of business assets when the Oregon basis is greater than it is for federal purposes (ORS 317.356).
- **Federal investment tax credit on certain assets.** If you take a federal tax credit on certain assets, and your federal basis is less than your Oregon basis, you must refigure the gain or loss on disposal of those assets and subtract the difference (ORS 317.356).
- **IRC section 78 dividends** (gross-up dividends) must be subtracted in full from federal taxable income (ORS 317.273).
- **Dividends from other corporations in this consolidated Oregon return.** Subtract 100 percent from federal taxable income [ORS 317.267(1)].
- **Dividends from foreign sales corporations and domestic international sales corporations,** the net income of which was included on line 4 (ORS 317.283 and 317.286).
- **Dividends from debt financed stock** to the extent deductible for federal tax purposes (see IRC 246A) [ORS 317.267(2)].
- **Land donation or bargain sale of land** to educational institutions. Enter the fair market value of land donated or the amount of the reduction in sales price of land sold to a school district. The subtraction is limited to 50 percent of Oregon taxable income (ORS 317.488).
- **Oregon depletion in excess of federal allowance** (ORS 317.374).
- **Oregon bad debt reserve addition of a financial institution to the extent that it exceeds the amount that is allowed on the federal return.** A subtraction is also made if the amortization of the federal reserve is greater than the amortization of the Oregon reserve (ORS 317.310).
- **Inventory costs.** See instructions under line 5.
- **Charitable contribution.** Subtract the amount by which a corporation must reduce its charitable contribution deduction under IRC 170(d)(2)(B) (ORS 317.307).
- **Depreciation differences.** If Oregon basis is higher than federal basis for an asset due to claiming a federal tax credit, subtract the excess of Oregon depreciation over federal depreciation [OAR 150-317.368(1)].
- **Federal credits.** Subtract the amount of expense not deducted on the federal return attributable to claiming any other federal credit taken (ORS 317.303).
- **Farm capital gain.** Farm capital gain taxed at special rate. Enter the amount from line 1 of Worksheet FCG-20, *Farm Liquidation Long-Term Capital Gain Tax Rate* (ORS 317.063).

WORKSHEET FOR COMPUTING DIVIDEND DEDUCTION

1. Dividends included in federal taxable income prior to “special deductions” .... 1. ____________
2. Subtract:
   - a. Dividends described in IRC 243(d)(1) that are actually interest on deposits ... 2a. ____________
   - b. Dividends described in IRC 245(c) and 246(d) (from FSCs and DISCs) .... 2b. ____________
   - c. Dividends from debt financed stock .... 2c. ____________
   - d. Dividends from corporations included in consolidated Oregon return .... 2d. ____________
   - e. IRC Section 78 Gross-Up .... 2e. ____________
3. Total (add lines 2a through 2e) .... 3. ____________
4. Balance subject to 70% (or 80%) deduction (line 1 minus line 3) .... 4. ____________
5. Percentage deduction .... 5. × 0.7 (0.8)
6. Allowable deduction (line 5 × line 4) .... 6. ____________

- **Small city business development exemption.** (ORS 317.391). Subtract income attributable to qualified new facilities sited in certain locations in Oregon. To qualify, facilities must be certified by the Department of Economic and Community Development (ORS 317.391).
- **Losses from outside the United States.** Losses not included in federal taxable income under IRC 861 to 864 (ORS 317.625).

Line 14. Net loss and net capital loss deductions.

- **Net loss deduction.** A net loss is the amount determined under Chapter 1, subtitle A of the Internal Revenue Code, with the modifications specifically prescribed under Oregon law. If taxable only by Oregon, the deduction on line 14 will be the sum of unused net losses for preceding taxable years. Net losses occurring in tax years starting on or after January 1, 1987, can be carried forward up to 15 years. **Oregon does not allow net losses to be carried back.**

  For losses and built-in losses occurring before a change in ownership, Oregon is tied to the federal limitations (IRC 382 and 384; ORS 317.476 and 317.478.)

  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).

  Real estate investment trusts if qualified under IRC 856 are not allowed a deduction for a net loss [ORS 317.476(5)].

  If taxable both in Oregon and another state, do not complete line 14. Any net losses assigned to Oregon during the preceding taxable years (and not previously deducted) must be entered on Schedule AP-2, line 10.

- **Net capital loss deduction.** For corporations not required to apportion income, use this line to subtract net capital losses carried forward from another year. The deductible loss is limited to net capital gain included in Oregon income. **Attach a schedule showing your computations including the tax year the net capital loss originated.**

  For corporations required to apportion income, net capital losses apportioned to Oregon and carried forward from another year are deducted on Schedule AP-2, line 10. The deductible loss is limited to net capital gain assigned to Oregon. Attach a schedule showing the computation of the net capital loss deduction (OAR 150-317.013).

Line 15. Oregon taxable income. If you are apportioning income to Oregon and other states, enter the amount from Schedule AP-2, line 11.

Line 17. Excise tax. The tax is 6.6 percent of Oregon taxable income. The minimum tax is $10. A consolidated return requires just one $10 minimum tax payment.

Line 18. Tax adjustment for interest on certain installment sales. If you owe interest on deferred tax liabilities with respect to installment obligations under ORS 314.302, enter the amount on line 18. Attach a schedule showing how you figured the interest. Also add the amount of tax on net long-term capital gain from farm property (ORS 317.063) from line 5 of Worksheet FCG-20, *Farm Liquidation Long-Term Capital Gain Tax Rate.*

Credits

Taxpayers must take the full amount of a credit allowed per year (ORS 314.078).

See Information Circular *Tax Credits for Corporations.* To order, see “Taxpayer assistance.”

Line 29. Other credits.

- Advanced telecommunications facilities (ORS 315.511)
- Alternative fuel vehicle fueling stations (ORS 317.115).
- 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 34 (ORS 315.068).
- Contribution of computers for scientific equipment research (ORS 317.151).
- Crop donation (form 150-101-240) (ORS 315.156).
- Electronic commerce in designated enterprise zone (ORS 315.507).
- Employee and dependent scholarship program payments (ORS 315.237).
- First break program (ORS 315.259).
- Fish habitat improvement (ORS 315.134).
- Fish screening devices (ORS 315.138).
- Individual development accounts (ORS 315.271).
- Long-term care insurance premiums (ORS 315.610).
- Long-term enterprise zone facilities (ORS 317.124, 317.125).
- On-farm processing facilities (ORS 315.119).
- Reclaimed plastics recycling (ORS 315.324).
- Reforestation (ORS 315.104 and 315.106).
- Reservation enterprise zone (ORS 285b.773).
- Trust for Cultural Development Account (ORS 315.675)
- Youth apprenticeship sponsorship (ORS 315.254).

Line 32. Tax adjustment for LIFO benefit recapture. This amount is a subtraction. Oregon has adopted the provisions of IRC 1363(d) for S corporations. **LIFO benefits are included in taxable income for the last year of the C corporation under these provisions.** On a separate schedule, compute the difference between tax (after credits and any surplus refund) on income per the return and income without the recapture of LIFO benefits. Multiply this difference by 75 percent and enter the result on line 32 as a subtraction. Attach the computation schedule to the Oregon return.

On the tax adjustment line of each of the first three returns of the new S corporation, add one-third of the tax that was deferred from the last year of the C corporation (ORS 314.750).

Line 34. Estimated tax payments and claim of right credit. Fill in the total estimated tax payments for tax year 2003 from Schedule ES. Include payments made with Form 20-EXT. Also include any claim of right credit allowed. A claim of right exists when you are taxed on income and later find you have no right to that income and must repay it. Oregon allows a claim of right credit if your federal tax liability is computed under IRC 1341(a). For more information, see

"Taxpayer assistance." Also see OAR 150-315.068 regarding the computation of the credit.

Line 37. Penalty. Include a penalty payment if you:

- Mail your payment of tax due after the original due date (even if you have an extension), **or**
- 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
February 1, 2003	7%	0.5833%	0.0192%
January 1, 2004	6%	0.5000%	0.0164%

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

For more information, see publication, *Computing Interest on Tax You Owe*, www.dor.state.or.us/infoc/800-691.html.

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 tax on Form 20, line 33, is less than $500 on your 2003 return.

If you have an underpayment, you must file Form 37, *Underpayment of Oregon Corporation Estimated Tax.*

Use Form 37 to:

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

Form 37 is provided with these instructions.

On line 38, enter interest for payment of tax after the original return due date. On line 39, enter interest due from underpayment of estimated tax. **Attach Form 37 to your return and check the "Form 37 is attached" box.**

Line 41. Total due. Attach your check or money order to the front of 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. **Do not** use gel pens or red ink. Please include the following information on your check:

- Oregon business identification number (BIN).
- Federal employer identification number (FEIN).
- "2003 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 2003 tax year. Fill in the total estimated tax payments made before filing your Oregon return on lines 1 through 4. Enter any refund applied from your 2002 tax return or an Oregon amended return on line 5. Enter payments made with Form 20-EXT on line 6. On line 7 enter the amount of tax credit computed for claim of right. On line 8 enter the total of lines 1 through 7, then carry total to Form 20, line 34.

Consolidated return filers. If estimated payments were made under a different name, attach a schedule showing the name, federal identification number, Oregon business identification number (BIN), date of payment, and the amount paid, 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 federal estimated tax payments by EFT.

Payments for corporation estimated taxes may be made using Revenue's EFT program. This program allows payments to be initiated via a touch-tone telephone, a secure Internet site, or through your financial institution.

A business is required to have an authorization agreement filed with the department before they start initiating EFT payments. Information and authorization agreements are available on the Internet at: www.dor.state.or.us/EFT/EFT.html, 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 AP

Apportionment instructions

Apportionment and allocation. Apportionment is dividing business income among 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 314.690) 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:

Airlines	OAR 150-314.280-(I)
Financial corporations	OAR 150-314.280-(N)
Health care service contractors	OAR 150-314.280-(E)
Insurance companies	ORS 317.660
Interstate broadcasters	ORS 314.682–314.686 OAR 150-314.684(4) OAR 150-314.686
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)
Railroads	OAR 150-314.280-(H)
Sea transportation companies	OAR 150-314.280-(K)
Title insurance companies incorporated in Oregon	OAR 150-314.280-(E)
Trucking companies	OAR 150-314.280-(J)

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

Schedule AP 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 AP still must be completed. A full explanation of the other method must be made.

Schedule AP-1—Apportionment formula

- For tax years starting before May 1, 2003, the apportionment formula is to divide the sum of the property factor plus the payroll factor plus two times the sales factor by four.
- For tax years starting on or after May 1, 2003, the apportionment formula is 10 percent times the property factor plus 10 percent times the payroll factor plus 80 percent times the sales factor. **Taxpayers primarily engaged in utilities and telecommunications may elect to use the apportionment formula method for tax years starting before May 1, 2003.** Check the box by question L if making this election.

The denominators of the property, payroll, and sales factors include only amounts from corporations that are included in the consolidated federal return **and** are 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.

A negative amount is not accepted. Enter zero if the factor is less than zero.

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 AP-1. Enter business property within Oregon in Column A. See ORS 314.655 and administrative rules.

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 administrative rules.

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 administrative rules.

Gross receipts from the sale, exchange, or redemption of intangible assets cannot be included in the sales factor if not derived from your primary business activity.

The net gain from sales, exchanges, or redemption of intangible assets that are not derived from your primary business activity are included in the sales factor if the gains are business income.

Line 6. Oregon apportionment percentage. For tax years beginning on or after January 1, 2003, and before May 1, 2003, divide the sum of the property percentage, the payroll percentage, and two times the sales percentage by four if you had all of these factors. Reduce the denominator of four by the number of factors with a zero denominator. Example: If you had no payroll anywhere, your payroll percentage would have a zero denominator and the sum of the factors would be divided by three (if no sales anywhere, divide by two).

Oregon apportionment percentage for tax years beginning on or after May 1, 2003. Multiply the sales percentage by 80 percent. Multiply the property percentage and the payroll percentage each by 10 percent. Add the three percentages together. This is the Oregon apportionment percentage.

Schedules for computing Oregon apportionment percentage

Oregon apportionment percentage for tax years beginning on or after January 1, 2003 and before May 1, 2003:

1. Total percent from line 5, Schedule AP-1. 1.________
2. Enter the number of factors on lines 1c, 2c, 3d, and 4 of Schedule AP-1 with a positive total in column B. 2.________
3. Oregon apportionment percentage. Divide line 1 by line 2 (compute percent to four decimal places [for example, 12.34558% should be 12.3456%]). Enter on Schedule AP-1, line 6. 3.________

Oregon apportionment percentage for tax years beginning on or after May 1, 2003:

1. Multiply the property factor percentage from Schedule AP-1, line 1c, column C, by 0.1. 1.________
2. Multiply the payroll factor percentage from Schedule AP-1, line 2c, column C, by 0.1. 2.________
3. Multiply the sales factor percentage from Schedule AP-1, line 3d, column C, by 0.8. 3.________
4. Oregon apportionment percentage. Add lines 1, 2, and 3 (compute percent to four decimal places [for example, 12.34558% should be 12.3456%]). Enter on Schedule AP-1, line 6. 4.________

Schedule AP-2—Taxable income computation

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; and
- 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 also can 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 [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 administrative rules.

Line 3. Subtract: Gains from prior year installment sales included in line 1. OAR 150-314.615-(G) requires that installment gains be apportioned to Oregon using the average percent from the year of the sale rather than the year payment is received.

Line 8. Add: Gains from prior year installment sales apportioned to Oregon. Multiply the installment gains subtracted on line 3 by the average percent from the year of the sale.

Line 10. Net loss and net capital loss deduction. See instructions for line 14.

Schedule AF

Schedule of Affiliates instructions

If you file a consolidated Oregon return and have more than one affiliate doing business in Oregon or with Oregon source income, you **must** complete Schedule AF and submit it with your Oregon return.

List on Schedule AF each corporation's name and address, business identification number, federal employer identification number, and date the affiliate became part of, or left, the unitary group if this occurred during the tax year being reported.

List those affiliates doing business in Oregon, or with Oregon source income, that are included in the Oregon consolidated return.

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

Taxpayer assistance

Printed information (free)

You can 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

- ❑ *Crop Donation Tax Credit* 150-101-240
- ❑ *Dependent Care Credits for Employers* 150-102-032
- ❑ Form 20ES, *Estimated Corporation Excise or Income Tax* 150-102-022
- ❑ Form 20-EXT, *Corporation Extension Payment Coupon* 150-102-165
- ❑ Form 24, *Like-Kind Exchanges/Involuntary Conversions* 150-800-734
- ❑ *Lender's Credit* 150-102-125
- ❑ *Power of Attorney and Declaration of Representative* 150-800-005
- ❑ *Qualified Research Activities Credit* 150-102-128
- ❑ Worksheet FCG-20, *Farm Liquidation Long-Term Capital Gain Tax Rate* 150-102-167

Information circulars and brochures

- ❑ *Information for Tax Exempt Organizations* 150-102-617
- ❑ *Limited Liability Companies, Limited Liability Partnerships* 150-101-613
- ❑ *Political Organizations* 150-102-663
- ❑ *Tax Credits for Corporations* 150-102-694
- ❑ *What To Do if You are Audited* 150-101-607
- ❑ *What You Need to Know About Corporation Excise and Income Tax* 150-102-401
- ❑ *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

Your name ______________________________

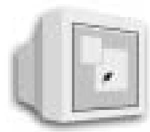
Address ______________________________

City ______________________________

State ______________ ZIP Code ______________________

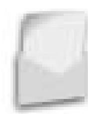
Internet

www.dor.state.or.us



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 BIN or FEIN and a daytime telephone number for faster service.

E-mail: corp.help.dor@state.or.us

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.

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.
April 1–April 15, Monday–Friday	7:00 a.m.–9:00 p.m.
April 3 and April 10, Saturday	9:00 a.m.–5:00 p.m.

Wait times may vary. Closed on holidays.

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.

Form **20** (200)

OREGON CORPORATION EXCISE TAX RETURN

2003

For office use only		
Date received		
Payment		
1	2	3

or **Fiscal Year Beginning:** Mo / Day / Year 03 **Ending:** Mo / Day / Year

If you filed a return in 2002, indicate if you had a: ☐ Name change ☐ Address change

Name

Federal employer identification number (FEIN)

Oregon business identification number (BIN)

Mailing address

City | State | ZIP Code | Internet address

Contact person | Telephone number ( )

- ☐ An **extension** is attached
- ☐ **Form 37** is attached
- ☐ This is an **amended return**
- ☐ **Form 24** is attached
- ☐ **Worksheet FCG-20** is attached

Complete A through D only if this is your first return or the answer changed during 2003.

- A. Incorporated in ______________ (state), on ______________ (date)
- B. State of commercial domicile ______________
- C. Date business activity began in Oregon ______________
- D. Business Activity Code from federal return ______________
- E. (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
- F. Are you a high-income taxpayer? .... ☐ Yes ☐ No
- G. Enter name and FEIN of parent corporation if applicable:
  - Name: ______________
  - FEIN: ______________
- H. List the tax years for which federal waivers of the statute of limitations are in effect and dates on which waivers expire:
  ____
- 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: ______________
  Send a copy of the IRS report or the amended return under separate cover, if not furnished previously.
- J. **First** return, indicate: ☐ New business, or ☐ Successor to previously existing business.
  Enter name, FEIN, and BIN of previous business:
  Name: ______________
  FEIN: ______________ BIN: ______________
- K. **Final** return, indicate: ☐ Withdrawn, ☐ Dissolved, or ☐ Merged or reorganized.
  Enter name, FEIN, and BIN of merged or reorganized corporation:
  Name: ______________
  FEIN: ______________ BIN: ______________
- L. Utility or telecommunications company electing alternative apportionment (see instructions). ☐
- M. If you did not complete Schedule AP, fill in the amount of your Oregon sales: $ ______________

Attach payment here ***Round all amounts to the nearest whole dollar***

1. Taxable income from U.S. corporation income tax return 1

ADDITIONS (see instructions)

2. State, municipal, and other interest income excluded in arriving at line 1 2
3. Oregon excise tax and other state or foreign taxes on or measured by net income or profits ... 3
4. Income of related FSC or DISC 4
5. Other additions. **Attach schedule and explanation** 5
6. Total additions (add lines 2 through 5) 6
7. Income after additions (line 1 plus line 6) 7

SUBTRACTIONS (see instructions)

8. Work opportunity credit wages not deducted on federal Form 1120 or 1120-A 8
9. Dividend deduction. **Attach schedule and explanation** 9
10. Income of nonunitary corporations. **Attach schedule and explanation** 10
11. Other subtractions. **Attach schedule and explanation** 11
12. Total subtractions (add lines 8 through 11) 12
13. Income before net loss deduction (line 7 minus line 12) 13

If income is derived from sources both in Oregon and other states, carry amount on line 13 to Schedule AP-2, line 1, and skip line 14 below.

14. Net loss deduction and net capital loss deduction. **Attach schedule** (see instructions) 14
15. Oregon taxable income (line 13 minus line 14 or amount from Schedule AP-2, line 11) (carry forward to page 2, line 16) 15

PLEASE ATTACH A COMPLETE COPY OF YOUR FEDERAL RETURN

Now go to the back of this form ➡

16. Oregon taxable income (carried forward from page 1, line 15) 16
17. Excise tax (6.6 percent of line 16) **(minimum tax—see instructions)** 17
18. Tax adjustment for interest on certain installment sales (see instructions) .... 18 •
19. Total tax (line 17 plus line 18) 19

CREDITS (see instructions)

20. Pollution control facility credit .... 20 •
21. Emission reducing production technology process (ORS 315.311) .... 21 •
22. Lender's credit: Energy conservation—Loans after 12-31-81 (Form 150-102-125) ... 22 •
23. Lender's credit: Affordable housing—Loans after 12-31-89 (Form 150-102-125) ..... 23 •
24. Lender's credit: Farmworker housing—Loans after 12-31-89 (Form 150-102-125) ... 24 •
25. Energy conservation facilities .... 25 •
26. Farmworker housing project investment credit .... 26 •
27. Dependent care credit (Form 150-102-032) .... 27 •
28. Qualified research activities credit (Form 150-102-128) .... 28 •
29. Other credits. Identify: ______________________ ..... 29 •
30. Total credits (add lines 20 through 29) 30
31. Excise tax after credits (line 19 minus line 30) (not less than the minimum tax—see instructions) 31
32. Tax adjustment for LIFO benefit recapture (see instructions) .... 32 • < >
33. Net excise tax* (line 31 minus line 32) (not less than the minimum tax—see instructions) .... 33 •
34. 2003 estimated tax payments from Schedule ES. Include payments made with extension (see instructions) ...... 34 •
35. **Tax Due.** Is line 33 more than line 34? If so, line 33 minus line 34 .... **Tax Due** 35 •
36. **Overpayment.** Is line 33 less than line 34? If so, line 34 minus line 33 .... **Overpayment** 36 •
37. Penalty due with this return (see instructions) 37
38. Interest due with this return (see instructions) 38
39. Interest on underpayment of estimated tax (see instructions). **Attach Form 37** .... 39 •
40. Total penalty and interest (add lines 37 through 39) 40
41. **Total due** (line 35 plus line 40) (see instructions) .... **Total Due** 41
42. **Refund** available (line 36 minus line 40) .... **Refund** 42
43. Amount of refund to be credited to 2004 estimated tax .... **2004 Credit** 43 •
44. **Net Refund** (line 42 minus line 43) .... **Net Refund** 44

***If the amount on line 33 is $500 or more, see the instructions for interest on underpayment of estimated tax.**

SCHEDULE ES — ESTIMATED TAX PAYMENTS OR OTHER PREPAYMENTS (see instructions)

Voucher	Date of Payment: Month	Day	Year	Amount Paid
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 against this year's tax 5
6. Payments made with extension or other prepayments for this tax year (date paid _____/_____/_____) ... 6
7. Claim of right tax credit (attach computation and explanation) 7
8. Total prepayments (carry to line 34) 8
9. Last year's net excise tax 9

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

X ______________________
Signature of officer Date

____
Print name

____
Title

X ______________________ •
Signature of preparer other than taxpayer

____
Print name

____
Address

Mail refund returns and no tax due returns to:
Refund, PO Box 14777, Salem OR 97309-0960

Mail tax-to-pay returns to:
Oregon Department of Revenue, PO Box 14790, Salem OR 97309-0470

SCHEDULE AP — APPORTIONMENT OF INCOME for Form 20 (see instructions)

Describe the nature and location(s) of your Oregon business activities ______________________________

____

SCHEDULE AP-1 — APPORTIONMENT FORMULA

(Do not enter an amount of less than zero)

	(A) Total Within Oregon	(B) Total Within and Without Oregon	(C) Percent Within Oregon (A ÷ B) × 100
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			%
2. Payroll Factor—Wages, salaries, commissions, and other compensation to employees:			*(not less than zero)*
a. Compensation of officers			
b. Other wages, salaries, and commissions			
c. Total wages and salaries			%
3. Sales Factor			*(not less than zero)*
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 receipts			
d. Total sales and other business receipts			%
4. Sales factor (same as line 3d) 4			%
5. Total percent (add items 1c, 2c, 3d, and 4, within column C) 5			%
6. **Oregon apportionment percentage.** For tax years beginning on or after 1/1/03 and before 5/1/03, enter the amount from line 3 of the appropriate schedule on page 11. For tax years beginning on or after 5/1/03, enter the amount from line 4 of the appropriate schedule on page 11 6			___ . _____ %

SCHEDULE AP-2 — COMPUTATION OF TAXABLE INCOME (See instructions)

1. Net income from business both in Oregon and other states (from Form 20, line 13)	1	
2. Subtract: Net nonbusiness income included in line 1. **Attach schedule**	2	
3. Subtract: Gains from prior year installment sales included in line 1. **Attach schedule**	3	
4. Total net income subject to apportionment (line 1 minus line 2 and line 3)	4	
5. Oregon apportionment percentage (from Schedule AP-1, line 6)	5	× %
6. Income apportioned to Oregon (line 5 times line 4)	6	
7. Add: Net nonbusiness income allocated entirely to Oregon. **Attach schedule**	7	
8. Add: Gain from prior year installment sales apportioned to Oregon. **Attach schedule**	8	
9. Total of lines 6, 7, and 8	9	
10. Minus: (a) Oregon apportioned net loss from prior years $ ____________, and (b) net capital loss from other years $ ____________, from tax year ____________.	10	
11. **Oregon taxable income** (line 9 minus line 10) (carry to Form 20, line 15)	11	

SCHEDULE AF — SCHEDULE OF AFFILIATES for Form 20 (see instructions)

A Schedule of Affiliates **must** be filed every year with each consolidated tax return. List those affiliates doing business in Oregon, or with Oregon source income, that are part of the unitary group included in this tax return.

Do not include in this list the affiliate shown on the heading of this tax return. You may copy this form if you have more than 12 affiliates to include on this list.

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, please indicate date affiliate left group
BIN FEIN			
BIN FEIN			
BIN FEIN			
BIN FEIN			
BIN FEIN			
BIN FEIN			
BIN FEIN			
BIN FEIN			
BIN FEIN			
BIN FEIN			
BIN FEIN			
BIN FEIN			

Attach additional schedules if needed.

Form 37 (front), 150-102-037

Form 37 is a separate download.

Form 37 (back), 150-102-037

Form 37 is a separate download.