



WESTERN OREGON PRIVILEGE TAX

INSTRUCTIONS FOR FORM 214 (WS)—STANDARD RETURN

For Owners of 4,999 Acres or Less

GENERAL INFORMATION

Who is the taxpayer?

The taxpayer is the owner of the **harvested** timber when it is first measured. The timber owner name as listed on the Notification of Operations (permit) is responsible for reporting and paying the tax (ORS 150-321.005).

What if I did not harvest?

You are required to file a return even if you did **not** harvest timber during the year. Check the “NO HARVEST” box in the upper right on the front of the return. **Sign, date, and mail** your return to the Oregon Department of Revenue.

Is another party responsible?

If the ownership of the timber has been transferred to another party and you feel that you are not responsible, check the box in the upper right on the front of the return, attach a copy of the written agreement (contract), and mail it with the return.

The written agreement (contract) must contain the name of the responsible party and the terms of the agreement. Sign, date, and mail your return to the Oregon Department of Revenue.

Exempt Land

Owners of land classified by the county assessor as other than forestland (such as farmland, residential, etc.) are **exempt from paying** privilege tax upon harvesting. **You are not exempt from filing a privilege tax return. The Forest Products Harvest Tax is still required for all timber harvesters.**

If you are not sure how your land is assessed, contact your county assessor’s office before filing your return. If you are claiming exempt land, check the box at the top front of the return. Enter your property tax account number or attach a copy of your property tax statement. **Do not complete the detail or summary page of your return.**

What is the filing deadline?

February 2 for harvested timber which is **measured** between **January 1 and December 31** of the prior calendar year.

What records do I need to complete my return?

- Department of Forestry Notification of Operations (forestry permit(s)).
- Bureau scale certificates.
- Volume summarized by grade for each species.
- Age of harvested timber.

- For stumpage adjustments:

- Average percent of slope for harvested area.
- Number of acres logged or to be logged.

Keep a copy of your returns and all records for at least three years from the date returns are due.

Did you receive the correct return?

- If you own **4,999 acres or less** and want to file a Standard Return, you need **Form 214**.
- If you own **4,999 acres or less** and want to file a Small Owner Election Return, you need **Form 212**.
- If you own **5,000 acres or more** your tax is based and paid through your property tax.

If you own 5,000 acres or more and purchase timber from a 4,999 acres or less owner you must file a return on Form 212 (Small Owner) or Form 214 (Standard) for this purchased timber.

Large landowners buying land from small landowners within the last five years still need to file a return.

If you need a return other than what you received or in addition to what you received, call toll-free in Oregon 1-800-356-4222, or 503-378-4988 to order. Please state the form name and number you need.

Is there an optional method of filing?

Certain taxpayers may qualify to file a Small Owner Election return (Form 212) instead of the standard return. If you use the Small Owner Election, taxable value is determined by subtracting a logging cost from the **mill** delivered sales price.

To qualify for this option you must have owned **less** than 10 percent of a forest products processing business during the 12-month period before the date the tax is due—**and** own less than 5,000 acres of forestland in western Oregon.

If you qualify and wish to use this method of reporting, call the Oregon Department of Revenue at 503-378-4988 in Salem and ask for a Small Owner Election return (Form 212).

What timber harvest is subject to tax?

There are two timber tax forms to be completed. The Forest Products Harvest Tax (FPHT) is based on volume and the Privilege Tax (WOPT and EOPT) is based on value (gross sales).

Timber harvested from private forestland statewide of a 4,999 acres or less owner that can be measured in board feet or tons, and meets the requirements of utility cull or better, is subject to the tax. Also, logs chipped in the woods from private lands are subject to the tax. You must still file a return.

Exempt timber not subject to tax:

- Secondary products, other than chips, **manufactured in the woods** and produced from logs normally either left in the forest or burned as slash. **Examples:** shake or shingle bolts, fence posts, firewood, and arrow bolts.
- Timber on land assessed by the Valuation Section, Property Tax Division, Oregon Department of Revenue. **Example:** railroad or power line right-of-way.
- Timber on land exempt from property taxation by the county assessor.
- Timber on land assessed as other than forestland by the county assessor.
- Harvests from land previously classified under Western Oregon Small Tract Optional Tax (WOSTOT) will check the “Exempt Land” box in the upper right on the front of the return. **Do not complete the detail or summary page of your return.** Write in your property tax account number, sign, and date the return. Mail the return to the

Oregon Department of Revenue. Former WOSTOT lands indicated with an “OS” (over size) or “ST” (severance tax) will need to file a return.

What if I’m filing an amended return?

You may send an amended return any time within two years of the original filing date. A refund must be claimed within two years of the overpayment.

Check the “AMENDED RETURN” box in the upper right of the return. Using the following instructions, complete boxes 1 through 36 of the Standard Harvest Detail Report (Form 214-B) as if an original return were being filed. Fill in each box with the correct information, even if it is not being changed. Continue to follow the instructions for boxes 36A, 36B and the Standard Return (Form 214).

Do I need to pay estimated tax?

Owners who file the standard return and expect to owe a privilege tax of \$10,000 or more for the calendar year **must** make **quarterly** payments. Payments are due by **April 30, July 31, and October 31**. If you need an Estimate of Timber Tax Liability payment coupon, call the Oregon Department of Revenue in Salem at 503-378-4988.

FILING INSTRUCTIONS

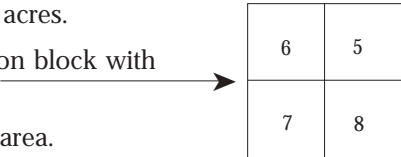
Standard Harvest Detail Report (back)

Please check the preprinted information on the return. If any items are inaccurate, print the correction under that item. **DO NOT white out any information on the return.**

Complete a separate **Standard Harvest Detail Report** (Form 214-B) for each harvest unit. If more detail report forms are needed, photocopy Form 214-B.

You **must** report your harvest and keep your records on a **harvest unit** basis.

A harvest unit is a geographic area where timber is harvested and which **must** meet all the following requirements:

- Be in only **one** county.
- Be no larger than 320 acres.
- Lie within a four-section block with a common corner, i.e. 
- Be in only **one** value area.
- Have similar value adjustments over its area.
- Be limited to **one** method of harvest—clear-cut, etc.
- Not be open for more than 24 months after the first report of harvest.

Harvest unit number. You must **assign a different number** to each harvest unit (**maximum of five characters**). The harvest unit number may include letters and/or numbers. Use this number until the harvest unit is completed and

closed. When this unit has been closed for **two years**, the harvest unit number may be reassigned to another unit.

Harvest identification

The Business Identification Number (BIN) located at the top of your return is your account number and will be the same each year. Please refer to this number on any correspondence or in phone calls.

- Box 1.** Enter your BIN at the top of each detail page.
- Box 2.** Enter the entire Department of Forestry Notification of Operations (permit) number for each harvest operation. This number is on line 38 on the front of your return.
- Box 3.** Assign a page number to each Harvest Detail Report.
- Box 4.** Enter the county name where the harvest occurred.
- Box 5.** Enter the number you assigned to this harvest unit.
- Box 6.** Enter the value area number found in column 44 of the Standard Return (Form 214).
- Boxes 7 and 8.** Check “yes” or “no” in box 7 to indicate whether this is the final report for this harvest unit. If “yes,” enter the **total** acreage of the harvest unit that was logged in box 8.
- Box 9.** Enter the timber age class (1 or 2) for this harvest in box 9.

If you are unsure of the age class, enter 1 in box 9.

Summarizing the harvest unit volume

Summarize the volume for the harvest unit by species and grade. To convert board feet (BF) to thousand board feet (MBF) divide by 1,000—(11,499 board feet ÷ 1,000 = 11.499 MBF). **Round** MBF and/or tons to the nearest whole number. For example:

$$\begin{aligned} 11,499 \text{ BF} &= 11.499 \text{ MBF} = 11 \text{ MBF} \\ 22.50 \text{ Tons} &= 23 \text{ Tons} \end{aligned}$$

The **log grades** used in the Stumpage Value Table are Columbia River Bureau grades. The log grades you use in harvest measurement and reporting must correspond to these grade standards. The exceptions are:

Hardwoods—Use grade codes 11, 14, 21, 24 only.

Incense Cedar—Use grade codes 14, 23 only.

These grade codes are defined on the front page of the Stumpage Value Table.

Poles and piling measured in lineal feet must be converted to board feet and log grades. Use the “Pole and Piling Conversion to Board Foot Volume and Columbia River Log Grades” table on page 6, or if your poles and piling were actually scaled and graded, you may use that data.

Calculations to summarize board foot figures for each log grade:

1. Sort your poles and piling into length categories.
2. For each group determine the board footage and log grades. For example: a 60-foot standard pole has 135 board feet in No. 2 Sawmill grade and 115 board feet in a No. 3 Sawmill grade.
3. Multiply these figures by the number of poles or piling in each group. For example: 10 poles, 60-foot standard is $10 \times 135 = 1350$ BF No. 2 Sawmill and $10 \times 115 = 1150$ BF No. 3 Sawmill logs.
4. Summarize the board foot figures for each log grade from all the length classes, then **add** the figures for logs originally measured in board feet if there are any.

Harvest details

Columns 10 and 15. Enter the species code from the Stumpage Value Table. For example: Douglas Fir = DF. Use White Fir (WF) values for reporting Grand Fir. Use “Other Conifer” (OC) or “Other Hardwoods” (OHW) for a species that is **not** listed in the stumpage table.

Columns 11 and 16. Enter the grade code from the Stumpage Value Table. For example: No. 2 Sawmill is grade code 05. Report grade 3SM (3 Special Mill) as grade code 06.

Columns 12 and 17. Enter the number of MBF or tons being reported for each species and grade. **Round** to the nearest whole number. **Do not enter a negative <-> amount.**

Columns 13 and 18. MBF UNIT VALUE and TON UNIT VALUE. Enter the proper unit value for each species and grade from the Stumpage Value Table.

Make sure the value area number in the top right-hand corner of the value table matches the value area of the harvest unit (box 6).

Column 14. MBF DOLLAR VALUE. For each line, multiply column 12 (MBF) by column 13 (MBF Unit Value). Enter the result in column 14. **Do not enter a negative <-> amount.**

Column 19. TON DOLLAR VALUE. For each line, multiply column 17 (Tons) by column 18 (Ton Unit Value). Enter the result in column 19. **Do not enter a negative <-> amount.**

Boxes 20, 21, 22 and 23. Add all of the entries in column 12 and enter the result in box 20 (Total MBF). Add all of the entries in column 17 and enter the result in box 21 (Total Tons). Add all of the entries in column 14 and enter the result in box 22 (Total MBF Unadjusted Stumpage Value). Add all of the entries in column 19 and enter the result in box 23 (Total Ton Unadjusted Stumpage Value).

Box 24. TOTAL UNADJUSTED STUMPAGE VALUE. Add boxes 22 and 23. Enter the result in box 24.

Harvest adjustments

The Oregon Department of Revenue provides a means of adjusting stumpage values to reflect special harvesting conditions for a harvest unit. These special harvesting conditions are **volume per acre and logging conditions** (including extreme condition), **helicopter, thinning, short log,** and **small isolated area.** Read the following information and review the Stumpage Value Adjustment Table to determine if a harvest unit is eligible for one or more adjustments.

Estimate the **average** conditions for the **entire** harvest unit to determine which adjustments, if any, are applicable to the unit. Remember, the adjustment(s) for a harvest unit **must** be the same for all reporting periods.

Boxes 25 and 30. VOLUME PER ACRE and LOGGING CONDITIONS. Use the Stumpage Value Adjustment Table to select the **one** line that best describes the harvest unit. You must enter the **line number** to the left of box 25. Then enter the dollar amounts for that line in boxes 25 and 30.

Volume per acre is determined by dividing the total volume to be removed during the **life** of the harvest unit by the total acres to be harvested. Total volume includes adjusted gross volume of logs and/or chips, as well as nontaxable material such as firewood. Total acres include only those acres from which material will be removed.

The **average percent slope** of the whole harvest unit is determined by dividing the vertical rise in the ground by the horizontal distance. Example: 100 feet of horizontal distance with a 50-foot rise is a 50 percent slope.

Extreme condition. A harvest unit with unusual conditions, such as extremely long yarding distances or which contain timber damaged by natural causes such as fire or wind, **might** qualify for an extreme condition adjustment. This adjustment should not be requested for a unit yarded by helicopter. Use the helicopter adjustment instead.

To apply for this adjustment, call the Oregon Department of Revenue at 503-378-4988 and ask for an Extreme Condition Request form. Mail the completed form to: Oregon Department of Revenue, PO Box 14003, Salem OR 97309.

If an extreme condition adjustment is applied for and **granted**, use **only** this adjustment. The other adjustments (thinning, etc.) **will not** be allowed. Enter "99" to the left of box 25 and the dollar amounts in boxes 25 and 30. Do not use boxes 26–28, 31 and 32.

If an extreme condition adjustment is **denied**, the other adjustments (thinning, etc.) may be used if applicable.

Helicopter. This adjustment is for harvest units yarded by helicopter. It is to be used in place of, **not in addition to**, a volume per acre and logging condition adjustment. However, if the harvest unit qualifies, the **thinning, short log** and **small isolated area** adjustments may be used in addition to the helicopter adjustment.

If your harvest unit qualifies for this adjustment, enter "98" to the left of box 25 and the dollar amounts in boxes 25 and 30.

Boxes 26 and 31. THINNING. Your harvest must meet all of the following to qualify for this adjustment:

- A partial cut of a conifer or hardwood stand with an age of 139 rings or less.
- Harvested trees are well distributed throughout the harvest unit.
- At least 60 percent of the harvested volume is from understory trees.
- Harvested volume cannot exceed 35 percent of the stand volume.

If your harvest unit qualifies for this adjustment, enter the dollar amounts from the table in boxes 26 and 31.

Box 27. SHORT LOG. The logs must be predominantly less than 26 feet in length. Logs must not average more than 24 feet in length.

If your harvest unit qualifies for the short log adjustment, enter the dollar amount from the table in box 27.

Boxes 28 and 32. SMALL ISOLATED AREA. One of the following conditions must be met for the harvest unit to qualify:

- The total quantity of merchantable timber of the owner before harvest is **not** over 250 MBF.
- The total quantity of merchantable timber in the area is not over 250 MBF, **and** the area contains a solitary stand of timber separated from other merchantable timber of the owner by at least one mile direct horizontal distance.

If your harvest unit qualifies for this adjustment, enter the dollar amounts from the table in boxes 28 and 32.

Boxes 29 and 33. Add boxes 25 through 28 and enter the result in box 29. Add boxes 30 through 32 and enter the result in box 33.

Box 34. Multiply box 20 (Total MBF) by box 29 (Total Adjustments per MBF). Enter the result in box 34.

Box 35. Multiply box 21 (Total Tons) by box 33 (Total Adjustments per Ton). Enter the result in box 35.

Box 36. Compute TOTAL TAXABLE STUMPAGE VALUE. Subtract boxes 34 and 35 from the amount in box 24. Enter the result in box 36. **This is the total taxable value for this unit.** If zero or less, enter -0-. **Do not enter a negative <-> amount.** Transfer this "Taxable Value" to column 45 on the Standard Summary (Form 214).

For amended returns only. Complete boxes 36A and 36B.

Box 36A. Enter amount from box 16 of your **prior** small owner return or box 36 of your **prior** standard return.

Box 36B. Subtract box 36A from box 36 of your **amended** return. Put brackets < > around the amount if it is negative. Transfer this "difference" to column 45 on the Standard Return (Form 214).

After you have filled out a Standard Harvest Detail Report (Form 214-B) for each harvest unit, follow the instructions below to fill out the Standard Return (Form 214). Attach the Standard Harvest Detail Report(s) to the Standard Return.

Standard Return (Form 214) (front)

Please check the preprinted information on the return. If any items are inaccurate, print the correction beneath that item.

Column 37. Enter the detail page number you assigned to this harvest (box 3 of the Standard Harvest Detail Report).

Columns 38-44. For additional areas of harvest that are not already listed, enter the entire Department of Forestry Notification of Operations (permit) number, harvest unit number, county code, township, range, section, and value area.

If you have any additional permit(s) that are not printed on the return, please attach a copy.

Tax calculation

Column 45. Enter taxable value amounts in column 45. If you have additional pages (Form 214A) also enter those taxable value amounts in column 45 on these forms. **Do not enter a negative <-> amount.**

Box 46. Add all the amounts from column 45. Be sure to include all amounts from column 45 on all pages of Form(s) 214A (if you have any). Enter the total in box 46.

Box 47. Multiply box 46 by the tax rate preprinted on the form and enter the result in box 47.

Box 48. Enter any estimated tax or other previous payment(s) or credit(s) you made that you want applied to this return.

Note: For amended returns, **do not enter any prior payments** in box 48.

Boxes 49 and 50. Subtract box 48 (Prior Payments) from box 47 (Tax). If the result is positive, enter it in box 49 (Tax Due With This Return). If the result is negative, enter it in box 50 (Overpayment).

Note: If you have an overpayment, the department will compute and pay interest on your refund.

Box 51. Compute a penalty if you:

- Mail your tax payment after the due date (even if you have a filing extension).
- File your return showing tax due (box 49) after the due date.

The penalty for filing or paying late is five percent of the unpaid balance of your tax. If you file more than three months late, the penalty is 25 percent of box 49.

Note: For amended returns, you do not have to pay a penalty if **all** additional tax and interest are paid with your amended return.

Box 52. Compute interest: multiply the number of days late **times** the daily interest rate (printed on the form) **times** the amount in box 49.

Note: For amended returns, compute interest from the original due date of the return.

Box 53. TOTAL PAYMENT. Add boxes 49, 51 and 52. Enclose this amount with your return.

Sign, date and mail your return to the Oregon Department of Revenue. No payment is due if tax due (box 49) is less than \$10. However, you **still must** file a return.

Extensions

You may request an extension of time to file returns. The request must be made in writing and state the reason for the request. The request must be postmarked no later than the due date of the return. The department may grant up to thirty days from the due date in which to FILE THE RETURN. This is only an extension to file. **It does not extend the time to pay.**

When you file, attach a copy of your approved extension to the front of your return.

Questions?

For assistance with filing or amending your returns, refer to the assistance schedule for the nearest office location.

Telephone: Salem 503-378-4988

Toll-free within Oregon 1-800-356-4222

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).

For general tax information: www.dor.state.or.us

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

Mail all payments, forms, and correspondence to:

**Timber Tax Programs
Oregon Department of Revenue
PO Box 14003
Salem OR 97309-2502**

**Remember to sign and date your return before filing.
KEEP A COPY OF THE RETURN FOR YOUR FILES!**

**POLE AND PILING CONVERSION
TO BOARD FOOT VOLUME
AND COLUMBIA RIVER LOG GRADES**

For use in all value areas of western Oregon for conversion of poles and piling of various lengths to board feet and log grades as required by Oregon Department of Revenue rules for reporting Western Oregon Privilege Tax.

Length	POLES							PILING			
	Standard Classes				"H" Classes*			Special Mill	#2 Mill	#3 Mill	#4 Mill
	Special Mill	#2 Mill	#3 Mill	#4 Mill	Special Mill	#2 Mill	#3 Mill				
20										70	
25				35						90	
30			20	30						110	
35			65							120	
40			90							130	
45			90	35				40		120	
50		35	125			160	120	45		135	
55		65	125			180	130			190	
60		135	115			270	150	55		165	
65		150	130			440		55		165	
70		150	150			480		60		180	
75		160	180			510				240	
80		310	120		320	280		85		195	
85	60	300	140		260	440		125		155	30
90	120	360	100		320	500		210		150	20
95	125	375	110		340	560		200		200	
100	135	420	155		380	650		220		220	
105	215	475	160		750	410		265		215	
110	240	550	170		830	460		300		250	
115	325	570	185		930	500		335		275	
120	420	585	195		1100	560		135	330	195	
125	520	575	205		1280	550					

* "H" Class poles are oversize poles with a minimum 50' length and 11" top and are classes H3 through H6 of the American National Standard 05.1 corrected December 1974. Classes H1 and H2 are included with Standard Classes of Poles.