



# EASTERN OREGON PRIVILEGE TAX

## INSTRUCTIONS FOR FORM 202 (ES)—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 of the 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 on your return.** You still need to file a return.

### What is the filing deadline?

**February 2** for harvested timber that 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 species.

- Number of ponderosa pine 16-foot log segments for each separate logging operation.

**Keep a copy of your returns and all original 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 202**.
- If you own **4,999 acres or less** and want to file a Small Harvester Election Return, you need **Form 210**.
- 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 202 (Standard) or Form 210 (Small Harvester) 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.

### 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 (EOPT and WOPT) 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.

## What if I'm filing an amended return?

You may send us 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 23 of the Standard Harvest Detail Report 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 23A, 23B and the Standard Return.

## 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 Department of Revenue in Salem (toll-free in Oregon) at 1-800-356-4222 or 503-378-4988.

## Extensions

You may request an extension of time to file. 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 30 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.

# 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.**

First complete the Standard Harvest Detail Report on the back of the return. **Complete a separate detail report for each permit where harvest occurred.** If more harvest detail report forms are needed, photocopy the back page of the return.

**Harvest Unit Number.** You must **assign a different number** to each harvest operation (**maximum of five characters**). The harvest unit number may include letters and/or numbers. Use this number until the harvest operation is completed. When this operation has been completed for two years, the harvest unit number may be reassigned to another operation.

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 25 on the front of your return.

**Box 3.** Assign a page number to each Harvest Detail Report.

**Box 4.** Enter the number you assigned to this harvest unit.

**Box 5.** Enter the value area number found in column 31 of the Standard Summary.

**Box 6. PONDEROSA PINE LOG SIZE COMPUTATION TABLE.** Use to compute the average pine 16-foot log volume for **each** harvest operation in order to determine the correct pine value on the Schedule of Immediate Harvest Value Tables (value tables). Determine only **one value** for all the ponderosa pine for each logging operation. Your scaling bureau may already compute and give you the pine log size information for your harvest. If not, please ask them to start

sending you this information. If you do not get the pine log size information from the scaling bureau, follow these steps:

1. Enter into the table the total net pine volume for the harvest operation in board feet (BF).
2. Compute and enter into the table the total number of equivalent 16-foot logs by dividing the total linear feet by 16.
3. Divide the total pine volume by the number of 16-foot logs to get the average pine 16-foot log volume.

**Grade code.** Use the average pine 16-foot volume to find the corresponding ponderosa pine grade code on the value tables. For example:

$$\text{Average 16-foot log volume} = 101.8 \quad \text{Grade code} = 63$$

**Column 10.** Enter the net thousand board feet (MBF) volume on the appropriate line for each specie/grade code. Report net harvest volume in MBF eastside short log scale. If logs have been scaled by westside long log rules, multiply that volume by 1.28 to convert to short log scale. To convert board feet (BF) to MBF divide by 1,000—(11,499 board feet ÷ 1,000 = 11.499 MBF). All logs that meet "utility cull or better" grade must be reported in MBF. For products measured in tons, but not listed by ton on the value tables, divide the number of tons by 4.5 to arrive at MBF. You may use your own conversion factors if they are supported by statistically sound sample data and you submit your data for verification. **Round MBF to the nearest whole number.** For example:

$$11,499 \text{ BF} = 11.499 \text{ MBF} = 11 \text{ MBF}$$

$$11,500 \text{ BF} = 11.500 \text{ MBF} = 12 \text{ MBF}$$

**Column 11. MBF UNIT VALUE.** Enter the MBF unit value for each specie using the correct value table for the value area. Use the average ponderosa pine log volume you compute in box 6 to look up the value by grade code for ponderosa pine on the harvest value table.

**Column 12. Compute the MBF TAXABLE VALUE.** Multiply the number of MBF (column 10) by the MBF unit value (column 11). Enter the result in column 12. **Do not enter a negative <-> amount.**

**Column 16.** Enter the number of tons being reported. **Round** tons to the nearest whole number. The following harvested products may be reported in tons:

- **Chips produced in the woods**—Report in **green tons, not** Bone Dry Tons (BDT) or Bone Dry Units (BDU).
- **Small chip logs**—Conifer logs measured in tons and **used exclusively for pulp chips, with an 8" or less scaling diameter.** Truck loads may contain an incidental number (2 or 3) of logs 9" and larger, however, **the logs must be used for pulp chips.** ALL SAWLOGS MUST BE SORTED OUT AND CONVERTED TO MBF FOR REPORTING THE PRIVILEGE TAX. Hardwood logs used for pulp chips may be any scaling diameter.

**Column 17.** TON UNIT VALUE. Enter the ton unit value using the correct value table for the value area. **Do not enter a negative <-> amount.**

**Column 18.** Compute the TON TAXABLE VALUE. Multiply the number of tons (column 16) by the ton unit value (column 17). Enter the result in column 18.

**Boxes 19, 20, 21 and 22.** Add all of the entries in column 10 and enter the result in box 19. Add all of the entries in column 12 and enter the result in box 20. Enter the number of tons from column 16 in box 21. Enter the ton taxable value from column 18 in box 22.

**Box 23.** Compute TOTAL TAXABLE VALUE. Add the amount in box 20 and the amount in box 22. Enter the result in box 23. Transfer this "Taxable Value" to column 32 on the corresponding permit line on the front of the return.

**For amended returns only. Complete boxes 23A and 23B.** Otherwise, skip to column 24.

**Box 23A.** Enter amount from box 16 of your **prior** small harvester return or box 23 of your **prior** standard return.

**Box 23B.** Subtract box 23A from box 23 of your **amended** return. Put brackets < > around the amount if it's negative. Transfer this "difference" to column 32 on the front of the return.

### Standard return (front)

**Column 24.** Enter the detail page number you assigned to this harvest (box 3 of the Standard Harvest Detail Report).

**Columns 25–31.** 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.

**Column 32.** Enter taxable value amounts in column 32. If you have additional pages (Form 202A), also enter those taxable value amounts in column 32 on these forms.

**Box 33.** Add all the amounts from column 32. Be sure to include all amounts from column 32 on all pages of Form(s) 202A (if you have any). Enter the total in box 33.

**Box 34.** Multiply box 33 by the tax rate preprinted on the form and enter the result in box 34.

**Box 35.** 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 35.

**Boxes 36 and 37.** Subtract box 35 (Prior Payments) from box 34 (Tax). If the result is positive, enter it in box 36 (Tax Due With This Return). If the result is negative, enter it in box 37 (Overpayment).

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

**Box 38.** Compute a penalty if you:

- Mail your tax payment after the due date (even if you have a filing extension).
- File your return showing a tax due (box 36) 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 the unpaid tax.

**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 39.** Compute interest. Multiply the number of days late **times** the daily interest rate (printed on the form) **times** the tax due in box 36.

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

**Box 40.** TOTAL PAYMENT. Add boxes 36, 38, and 39. Enclose this amount with your return.

Sign, date and mail your return to the Oregon Department of Revenue. If the tax due with this return (box 36) is less than \$10, no payment is due. However, you **still must** file a 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](http://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!**