

# 2015 Oregon Income Tax

## Part-year Resident/Nonresident



*New look!*

Forms and instructions: Form 40N, Form 40P, Form 40-V,  
Schedule OR-ASC-N/P, Schedule OR-529, and Schedule OR-D



### Check out our new online services

Revenue Online is a secure online portal that provides access to your tax account at any time. You can:

- Check the status of your refund.
- View and print letters from us.
- Make payments or schedule future payments.
- Securely communicate with us.
- Update your information.
- Check balances and view your account history.
- File an appeal.

Visit [www.oregon.gov/dor](http://www.oregon.gov/dor) to sign up for a Revenue Online account.

- **April 18, 2016** is the due date for filing your return and paying your tax due.
- **File electronically—it's faster, easy, and secure.** E-filed returns receive refunds in 7–10 days (see page 3).
- See page 28 for payment options.
- Find out if you qualify for the earned income credit. See page 27.
- Veterans' benefits. Find out more at [www.oregon.gov/odva](http://www.oregon.gov/odva).
- Healthy Kids program. Find out if you qualify for health coverage at [www.oregonhealthykids.gov](http://www.oregonhealthykids.gov).
- These instructions are not a complete statement of laws and Oregon Department of Revenue rules. You may need more information. See page 2.

[www.oregon.gov/dor](http://www.oregon.gov/dor)

# Contents

<b>Electronic filing</b> .....	3	Subtractions .....	17
<b>New information</b> .....	4	Oregon percentage .....	19
<b>General information</b> .....	6	Deductions and modifications .....	19
Should I file an Oregon return?.....	6	Oregon tax .....	22
What does income from Oregon sources include? ..	6	Tax rate charts .....	22
Residency .....	7	Credits—nonrefundable.....	23
What form do I use? .....	7	Tax payments and refundable credits .....	24
Military personnel.....	7	Penalties and interest .....	27
When should I file my return? .....	8	Payment options .....	28
What if I need more time to file? .....	8	Refund.....	29
2016 estimated tax .....	8	Direct deposit.....	29
What if I need to change my Oregon return after filing? .....	9	Before you file .....	30
<b>General instructions for Forms 40N and 40P</b> .....	11	Avoid processing delays.....	30
Name and address.....	12	Tax return mailing addresses.....	31
Filing status .....	12	<b>Form 40N</b> .....	33
Exemptions .....	12	<b>Form 40P</b> .....	37
<b>Federal column instructions, lines 7–29</b> .....	14	<b>Form 40-V, payment voucher</b> .....	41
<b>Oregon column instructions, lines 7–29</b> .....	14	<b>Schedule OR-ASC-N/P</b> .....	43
Adjustments .....	16	<b>Schedule OR-529</b> .....	45
Additions .....	16	<b>Schedule OR-D</b> .....	47

## Have questions? Need help?

### Internet

[www.oregon.gov/dor](http://www.oregon.gov/dor)

- Download forms, instructions, and publications.
- Access additional information not included in these instructions.

**Twitter:** @ORrevenue

### Email or write

[questions.dor@oregon.gov](mailto:questions.dor@oregon.gov)  
[preguntas.dor@oregon.gov](mailto:preguntas.dor@oregon.gov)

Oregon Department of Revenue  
 955 Center St NE  
 Salem OR 97301-2555

- Include your name and daytime phone number.
- Include the last four digits of your SSN or ITIN.

### Printed forms or publications:

Forms  
 Oregon Department of Revenue  
 PO Box 14999  
 Salem OR 97309-0990

### In person

Find directions and hours on our website.

### Revenue Online

[www.oregon.gov/dor](http://www.oregon.gov/dor); click on Revenue Online

- Check your refund status.
- Make or schedule payments.
- View your account history.
- Find out how much you owe.
- Securely communicate with us.

### Phone

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

Monday–Friday ..... 7:30 a.m.–5 p.m.  
*Closed Thursdays from 9–11 a.m. Closed holidays. Extended hours during tax season; wait times may vary.*

### Asistencia en español:

En Salem o fuera de Oregon ..... (503) 378-4988  
 Gratis de prefijo de Oregon..... 1 (800) 356-4222

### TTY (hearing or speech impaired; machine only):

Salem area or outside Oregon ..... (503) 945-8617  
 Toll-free from an Oregon prefix.... 1 (800) 886-7204

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

# Electronic filing

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E-file is the fastest way to file your return and receive your refund. The speed and accuracy of computers allow electronic returns to be processed faster than paper returns, greatly reducing errors and delays. E-file uses secure technology to ensure the safety of your personal information once it's transmitted to the IRS and the Department of Revenue.

Oregon participates in the IRS Federal/State E-file program. This program allows you to electronically file **both** your federal and Oregon returns at the same time. If you have already filed your federal return, you may still electronically file your Oregon return.

If you haven't tried e-file yet, why not this year? Join more than a million other Oregon taxpayers who electronically file their Oregon returns.

You can take advantage of e-file in one of two ways:

## 1. Ask your tax preparer.

If your tax preparer is an authorized IRS e-file provider, your preparer can electronically file your federal and Oregon returns. Many Tax-Aide and Tax Counseling for the Elderly (TCE) sites set up by the IRS are authorized IRS e-file providers.

## 2. Online tax preparation software.

You can file your federal and state returns from your home computer, from work, or from a library using Oregon-approved online tax preparation products. Go to our website at [www.oregon.gov/dor/e-filing](http://www.oregon.gov/dor/e-filing) for a list of tax preparation products that can assist in preparing your federal and Oregon returns.

**You may be eligible for free e-file.** Several tax preparation software providers offer free online electronic tax filing. For free online tax preparation programs, go to [www.oregon.gov/dor/e-filing](http://www.oregon.gov/dor/e-filing).

For more information about e-filing, go to our website at [www.oregon.gov/dor/e-filing](http://www.oregon.gov/dor/e-filing).

# New information

**Oregon has gone live!** We are pleased to announce that our new online tax system, Revenue Online, is now available for personal income taxpayers. Revenue Online provides convenient, secure access to tools for managing your Oregon tax account—completely free! With Revenue Online, you may:

- View your tax account.
- Check the status of your refund.
- View and print letters from us.
- Make payments or schedule future payments.
- Securely communicate with us.
- File forms securely.
- Check balances and view your account history.
- File an appeal.

For more information and instructions on setting up your personal Revenue Online account, go to [www.oregon.gov/dor](http://www.oregon.gov/dor).

**Income tax booklets.** We are no longer automatically mailing tax booklets. To obtain a tax booklet, you can download a copy from our website at [www.oregon.gov/dor](http://www.oregon.gov/dor) or contact us. For contact information, see page 2.

**New form design.** The forms have been redesigned to streamline the filing process. Pay special attention to line items and check boxes—they may have changed. The child and dependent care credit, earned income credit, and working family child care credit are no longer claimed on the return; they are instead claimed on Schedule OR-ASC-N/P.

**New codes.** Many of our codes have changed. See pages 16–17, 21, 23–24, and 27 for complete listings of our standard numeric codes. If you use the wrong code, your return may take longer to process or the item may be disallowed. Complete instructions for claiming adjustments, additions, subtractions, modifications, and credits can be found starting on page 3 of Schedule OR-ASC-N/P.

**No more amended schedules.** The amended schedule has been discontinued for tax years 2015 and forward. See page 9 for instructions for filing your 2015 amended return.

**Calculated using “as if” federal return.** There is a new check box on the top of the return for certain taxpayers who must file a separate “Oregon only” federal return with their Oregon return, in addition to the federal return that they are filing with the IRS, or for taxpayers who are not filing a federal return. See page 11 for more information.

**Kicker refund.** Oregon’s surplus credit (known as the “kicker”) will be claimed as a refund on your 2015 tax return. The credit is a percentage of your 2014 tax

liability. You may choose to donate your surplus credit to the Oregon State School Fund. See page 25 for more information and instructions for calculating your credit and donating your credit to the Oregon State School Fund. You must file a 2015 return to claim your kicker credit, even if you do not have an obligation to file.

**Identity verification letters.** We take tax fraud seriously. Starting this year, we will be sending identity verification letters to some taxpayers. If you receive this letter, please follow the instructions provided.

**Military pay.** If you performed active military service in 2015, and your Defense Finance and Accounting System payroll address was outside Oregon, Oregon considers you to be a nonresident and will not tax your military pay. This new law is retroactive to January 1, 2012 and applies to all members of the Armed Forces, including National Guard and reserve components, performing active service as defined in 10 USC 101(d) (3), other than annual training duty or inactive-duty training. See page 7 for more information.

**Reduced tax rate for pass-through entities.** There is a new tax rate pass-through entities may elect to use. For more information, see page 23.

**Substantial understatement penalty (SUP).** Oregon’s penalty for substantially understated taxable income (SUI) has been changed to a penalty for substantially understated net tax.

**Special Oregon medical subtraction.** For tax year 2015, you or your spouse must be age 63 or older on December 31, 2015 to qualify for the subtraction. See page 18 for more details.

**Charitable donation add-back.** Charitable donations to organizations that fail to spend at least 30 percent of their annual functional expenses for program services are no longer deductible on your Oregon return. See *Publication 17½*, 150-101-431, for more information about the new add-back requirement.

**Disaster relief.** Earned income while working in Oregon solely to provide relief during a declared disaster or emergency is exempt from Oregon tax. You do not need to file an Oregon return reporting this income unless taxes were withheld.

**Long-term care insurance premiums.** Oregon no longer offers a tax credit for long-term care insurance premiums. If this causes you to pay interest on underpayment of estimated taxes, see Form 10, *Underpayment of Oregon Estimated Tax*, 150-101-031.

**Same-sex couples.** We recognize Oregon same-sex registered domestic partners (RDPs) and same-sex legally

married couples married in Oregon and in other jurisdictions as married for tax purposes. If you held either of these statuses on December 31, 2015, you will file either married filing jointly or married filing separately.

- **If you're an Oregon RDP** who isn't legally married, fill in your partner's information in the "spouse" portions of the tax forms and follow all instructions for spouses except where otherwise noted. Complete a federal income tax return "as if" you're married filing jointly or married filing separately. Check the "Calculated using 'as-if' federal return" box on the top of the Oregon return. You must include the federal

"as-if" return and your actual federal return with your Oregon return.

- **If you're a same-sex married couple**, you're required to use the same filing status on your Oregon return that you used on your federal return. You don't need to complete an "as if" federal return. Instead, you must include your actual federal return with your Oregon return.

**Federal law changes.** The tuition and fees deduction and educator expenses deduction were expired at the time this publication was printed. If Congress did not reinstate these deductions, you cannot take them or the Oregon subtraction on your return.

## Federal tax law

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**No extension to pay.** Oregon does not allow an extension of time to pay your tax, even if the IRS is allowing an extension. Your 2015 Oregon tax is due April 18, 2016.

**Federal law connection.** Oregon is tied to federal income tax laws **as of December 31, 2014**. Oregon has a rolling tie to federal changes made to the definition of taxable income, with two exceptions:

- IRC section 139A for Federal Subsidies for Prescription Drug Plans; and

- IRC section 199 for Income Attributable to Domestic Production Activities, also known as Qualified Production Activity Income (QPAI).

Income under these sections is specifically exempt from tax on the federal return. If you have any of these types of income, you will have an addition on your Oregon tax return.

Oregon will automatically adopt any future federal law changes to the definition of taxable income.

## Important reminder

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You must include a copy of your Federal Form 1040, 1040A, 1040EZ, 1040NR, or 1040NR-EZ with your Oregon return. Without this information, many items

claimed on your Oregon return may be disallowed or adjusted.

# General information

## Should I file an Oregon return?

You must file an Oregon income tax return if your Oregon source income and income received while an Oregon resident is more than your standard deduction.

If your Oregon income is less than your standard deduction, you're not required to file a return for Oregon.

If you had a tax liability in 2014, you need to file a 2015 return to claim your surplus refund (kicker) credit, even if you don't meet the filing requirements below.

**Full-year residents.** Oregon taxes your income from all sources.

**Part-year residents.** Oregon taxes your income from all sources earned or received while you were an Oregon resident. Oregon also taxes your income from Oregon sources while you were a nonresident.

**Nonresidents.** Oregon taxes only your income from Oregon sources.

## Filing thresholds

You must file an Oregon income tax return if:	
Your filing status is:	And your Oregon gross income is more than:
Can be claimed on another's return	\$1,050*
Single	\$2,145
Married filing jointly	\$4,295
Married filing separately: —If spouse claims standard deduction	\$2,145
—If spouse itemizes deductions	\$0
Head of household	\$3,455
Qualifying widow(er)	\$4,295
* The larger of \$1,050, or your earned income plus \$350, up to the standard deduction amount for your filing status.	

## How long will it take to get my refund?

Effective after February 1, 2016:

<b>If you e-file your return</b>	7–10 business days
<b>If you mail your return before April 1</b>	
• With 2-D barcode	3–4 weeks
• Without 2-D barcode	10 weeks
<b>If you mail your return on or after April 1</b>	
• With 2-D barcode	4–6 weeks
• Without 2-D barcode	10 weeks
<b>If you amend your return</b>	6 months or longer

**Note:** If you claim the working family child care credit (WFC) or your return needs additional review for another reason, your return may take longer to process.

**To check the status of your refund, go to [www.oregon.gov/dor](http://www.oregon.gov/dor) and click on Revenue Online.**

## What does income from Oregon sources include?

Oregon income includes income shown on your federal return for services performed in Oregon.

If you have wages from an Oregon employer and you performed services for your employer in Oregon and another state while you were a nonresident, and your Oregon wages are not stated separately on your W-2, compute your Oregon source income using the formula for line 7S (page 14).

### The following are considered other income from Oregon sources:

- Businesses, partnerships, limited liability companies taxed as partnerships, and S corporations located or doing business in Oregon—income (losses).
- Unemployment compensation received because of an Oregon job.
- Severance pay received because of an Oregon job.
- Oregon farm income (losses).
- Oregon estate and trust income (losses).
- Oregon State Lottery winnings.
- Sale of Oregon property income (losses).
- Rents and royalties for use of Oregon property.
- Community property income. If you're a resident of Oregon and your spouse is a resident of a state with community property laws, you may be taxed on part of your spouse's income. Community property laws in the state where your spouse lives determine if you're taxed on any of your spouse's income.

### What income isn't included in Oregon sources?

- Interest and dividends. However, if they're from an Oregon business you own, received during the part of the year you were a resident or passed through from an S corporation or partnership doing business in Oregon, you must include them in Oregon income.
- Oregon retirement income received while you were a nonresident unless you were domiciled in Oregon. For more information on this exclusion see *Publication 17½* or our website.
- Interstate transportation wages from an interstate railroad company, interstate motor carrier, air carrier, or motor private carrier. You must be a nonresident

and have regularly assigned duties in more than one state.

- Waterway, air carrier, or hydroelectric dam compensation, if you're a nonresident:
  - Working as crew or pilot on a vessel in navigable waters between Oregon and another state;
  - Working as crew or pilot on an aircraft in Oregon and at least one other state; or
  - Working on a dam that spans a river between Oregon and another state. **Note:** See *Publication 17½* for more details regarding waterway, air carrier, and dam workers' compensation.
- Military pay of a nonresident.
- Winnings of a nonresident from tribal gaming centers in Oregon.

## Residency

### Am I a resident, nonresident, or part-year resident?

- **You're a full-year Oregon resident**, even if you live outside Oregon, if **all** of the following are true:
  - You think of Oregon as your permanent home, and
  - Oregon is the center of your financial, social, and family life, and
  - Oregon is the place you intend to come back to when you're away.

#### You're still a full-year resident if:

- You temporarily moved out of Oregon, or
- You moved back to Oregon after a temporary absence.

You may also be considered a full-year resident if you spent more than 200 days in Oregon during 2015 or you're a nonresident alien as defined by federal law.

- **You're a nonresident** if your permanent home was outside Oregon all year.
- **You're a part-year resident** if you moved into or out of Oregon during 2015. You're **not** considered a part-year resident if:
  - You temporarily moved out of Oregon, or
  - You moved back to Oregon after a temporary absence.

**Special-case Oregon residents.** If you're an Oregon resident and you meet **all** the following conditions, you're considered a nonresident for tax purposes:

- You're an Oregon resident who maintained a permanent home outside Oregon the entire year, and
- You didn't keep a home in Oregon during any part of 2015, and
- You spent less than 31 days in Oregon during 2015.

**Important!** A recreational vehicle (RV) isn't considered a permanent home outside of Oregon.

**Oregon residents living abroad.** Usually, you're considered a nonresident if you qualify for the federal earned income exclusion or housing exclusion for United States residents living abroad.

## What form do I use?

### Use Form 40N if any ONE of the following is true:

- You're a nonresident; or
- You're a special case Oregon resident (see "Residency" section); or
- You and your spouse are filing jointly and one (or both) of you is a nonresident; or
- You meet the military personnel nonresident requirements explained below; or
- You qualified as an Oregon resident living abroad for the entire year.

### Use Form 40P if any ONE of the following is true:

- You're a part-year resident; or
- You're filing jointly and one of you is a part-year resident and the other is a full-year resident; or
- You're filing jointly and both of you are part-year Oregon residents; or
- You qualified as an Oregon resident living abroad for part of the year.

### Use Form 40 if any ONE of the following is true:

- You're a full-year resident; or
- You and your spouse are both full-year residents filing jointly.

Form 40 is included in the *Full-Year Resident* booklet. Go to our website, [www.oregon.gov/dor](http://www.oregon.gov/dor), or contact us to order it.

## Military personnel

**Nonresidents stationed in Oregon.** Oregon does not tax your military pay while you're stationed in Oregon. File Form 40N if you had other income from Oregon sources, or to claim a refund of Oregon tax withheld from your military pay.

**Nonresident military spouses.** Federal law does not allow Oregon to tax your wages if you're in Oregon only to be with your spouse because your spouse is stationed in Oregon. File Form 40N if you had other income from Oregon sources or are claiming a refund of Oregon tax withheld.

**Residents (or Oregon-domiciled service members) stationed outside of Oregon.** If you meet the requirements for special-case Oregon residents or Oregon residents living abroad, file Form 40N. File Form 40 if you do not meet the listed requirements.

**Residents (or Oregon-domiciled service members) stationed in Oregon.** Your pay is subject to tax, although the pay could qualify for certain subtractions. For more information on subtractions available to military personnel see below and visit our website, refer to *Publication 17½*, or contact us.

Oregon law was changed to allow military personnel performing active service within Oregon to be treated as nonresidents for tax purposes if their address in the payroll records of the Defense Finance and Accounting System (DFAS) is outside Oregon, regardless of where they are domiciled.

This change is retroactive to January 1, 2012 for tax on military pay for active service within Oregon, and tax on non-Oregon source income. If you performed active service in Oregon in 2012, 2013, or 2014, but had an address outside of Oregon in the DFAS payroll records during that time, you may file an amended return to claim a refund of the tax paid on your military pay and income from non-Oregon sources. Interest will not be paid on these amended returns. File Oregon Form 40N, following the instructions listed in *Publication 17½*.

The tax itself is not refundable for years prior to 2012.

## Filing for a deceased person

You must file a final personal income tax return for a person who died during the calendar year if the person would have been required to file. See “Should I file an Oregon return?” on page 6. If a return is filed, check the “deceased” box next to that individual’s name on the return. If you’ve been appointed personal representative or you filed a small estate affidavit, sign the return as “personal representative” and have the spouse sign if a joint return. If there is no personal representative for a joint return, only the surviving spouse needs to sign.

**Note:** Oregon has an estate transfer tax on estates valued at \$1 million or more. The tax is paid by the estate, not by the individuals receiving the inheritance. For more information, check our website or contact us.

## When should I file my return?

The filing deadline for calendar year 2015 is **April 18, 2016**. If you can’t pay all or any of your tax by the due date, it’s important to file your return anyway to avoid a late-filing penalty.

Returns for other tax periods are due by the 15th day of the fourth month after the close of your tax year.

## What if I need more time to file?

If you received a federal extension, Oregon will allow the same extension. Be sure to check the “Extension filed” box on your Oregon return. Do **not** include a copy of your federal extension with your Oregon return. Keep it with your records.

### An extension does not mean more time to pay!

You must pay all tax you expect to owe by April 18, 2016. If you don’t pay all the tax due, you’ll owe interest on any unpaid tax after April 18, 2016, until the date of your payment. The 2016 interest rate is 4 percent per year. If the tax isn’t paid within 60 days of the date of our billing notice, the interest rate increases to 8 percent per year. You may also owe a late-payment penalty. If you can’t pay all of the tax you expect to owe, pay what you can.

Send your payment by April 18, 2016 using Form 40-V, *Oregon Income Tax Payment Voucher*. Mark the “Extension payment” box on the voucher. Also mark the “Extension filed” box on the upper left corner of your return.

## Penalties

You will owe a 5 percent late-payment penalty on any 2015 tax not paid by April 18, 2016, even if you receive an extension. See page 8.

Oregon does not allow an extension of time to pay even if the IRS is allowing an extension.

If you file your return more than three months after the due date (including extensions), a 20 percent late-filing penalty will be added, so you will owe a total penalty of 25 percent of any unpaid tax. A 100 percent penalty is charged if you don’t file a return for **three consecutive years** by the due date of the third year, including extensions.

## 2016 estimated tax

Estimated tax is the amount of tax you expect to owe after credits and Oregon tax withheld when you file your 2016 Oregon individual income tax return.

Oregon estimated tax laws are not the same as federal estimated tax laws. For more information on how to figure your estimated payments for Oregon and how to obtain payment vouchers, refer to the *Instructions for Estimated Income Tax and Form 40-V Payment Voucher*, 150-101-026.



## Who must make estimated tax payments?

In most cases, people who **expect to owe \$1,000 or more** on their 2016 Oregon income tax return after credits and withholding must make estimated payments. You may need to make estimated payments if:

- You're self-employed and don't have Oregon tax withheld from your income.
- You received Oregon Lottery single ticket winnings of less than \$5,000. (**Note:** Single ticket winnings of \$5,000 or more are subject to Oregon withholding.)
- You receive income such as pensions, interest, or dividends; Oregon tax isn't withheld; and you expect to owe tax of \$1,000 or more.
- You're a wage earner and expect to owe tax of \$1,000 or more on your 2016 return.

## When do I pay?

Estimated tax due dates for 2016 taxes are April 18, 2016\*; June 15, 2016; September 15, 2016; and January 17, 2017.

If paying with a check or money order, send your payment with Form 40-V and **check the "Estimated payment" box**. Download the form from our website or contact us to order it. If making an electronic payment from your checking or savings account or paying by credit or debit card, see page 28.

\* *Send your 2016 estimated tax payment and Oregon Form 40-V in a separate envelope from your 2015 Oregon income tax return. This will help us credit your payment more efficiently.*

## Interest on underpayment of estimated tax

You may owe interest on underpayment of estimated tax if:

- You owe \$1,000 or more on your return after credits and withholding, or
- You paid less than 90 percent of the tax due on each estimated tax payment due date.

For Form 40N, line 66; or Form 40P, line 65 instructions, see page 28.

## What if I'm self-employed?

If you're self-employed and do business in **Multnomah, Clackamas, or Washington counties**, you may need to file Form TM, *TriMet Self-Employment Tax Return*, 150-555-001. If you're self-employed and do business in **Lane County**, you may need to file Form LTD, *Lane Transit District Self-Employment Tax Return*, 150-560-001. Go to our website to download the forms, or contact us

to order either form. You have the option to file either form electronically on our website; go to [www.oregon.gov/dor](http://www.oregon.gov/dor) and click on Revenue Online.

## What if I need to change my Oregon return after filing?

File an amended return. Use the appropriate form to change (amend) your return. Check the "Amended return" box on the form. Complete the Amended Statement on page 4 of the return, including the return line numbers and reason for each change. If your filing status has changed (for example, from single to head of household), explain why.

Fill out your amended return as if it were your original return. Use the worksheet below to calculate your amended tax due or refund.

If you are objecting to adjustments that we made to your return, don't respond by filing an amended return. You must follow the appeal process explained on the notice you received. File an amended return only if the changes you're making are unrelated to the adjustments on our notice.

If you're amending because of a Net Operating Loss (NOL), write the tax year the NOL was generated in the "Tax year the NOL was generated" box. Include an explanation and code cite on the Amended Statement if the NOL carry back is greater than two years (see *Publication 17½* for further instructions).

If you're filing a protective claim, refer to Form PCR, *Personal Income Tax Protective Claim for Refund*, 150-101-184.

To amend a prior year, visit our website or contact us for a prior year tax booklet.

## How long will it take to process my amended return?

Processing time for amended returns varies. It may take six months or longer to process your amended return.

## Amended worksheet

Use the following worksheet to determine your additional refund or tax to pay on your amended Form 40N or Form 40P. Use this worksheet even if you originally filed using a different residency status. Keep this worksheet with your records.

If any of the numbers on your original return were adjusted, use the adjusted amounts.

If you donated your kicker to the State School Fund, and you received a notice stating some or all of your donated amount has changed, this worksheet might not work for you. Contact us for more information.

- |  |   |  |   |
|--|---|--|---|
| <p>1. Tax after nonrefundable credits as amended (amended, Form 40N, line 55; or Form 40P, line 54).</p> <p>2. Total payments and refundable credits as amended (amended, Form 40N, line 62; or Form 40P, line 61).</p> <p>3. Subtract line 2 from line 1. If the answer is negative, put a negative number.</p> <p>4. Amounts already refunded to you for this period (original, Form 40N, line 69; Form 40P, line 68; or Form 40, line 44). If you didn't receive a refund, enter -0-.</p> | <p>1. _____</p> <p>2. _____</p> <p>3. _____</p> <p>4. _____</p> | <p>5. Add lines 3 and 4.<br/>If line 5 is less than -0-, go to line 6.<br/>If line 5 is more than -0-, skip to line 8.</p> <p>6. Refund applications as amended. (amended, Form 40N, line 73; or Form 40P, line 72).</p> <p>7. <b>Total refund</b> (line 5 plus line 6).<br/>Your refund will be shown as a negative number.</p> <p>8. Penalty and interest as amended (amended, Form 40N, line 67; or Form 40P, line 66).</p> <p>9. <b>Total amount to pay</b> (add lines 5 and 8).</p> | <p>5. _____</p> <p>6. _____</p> <p>7. _____</p> <p>8. _____</p> <p>9. _____</p> |
|--|---|--|---|

# General instructions for Forms 40N & 40P

## Step 1: Fill out your federal form

Your Oregon tax is determined using the ratio of your Oregon source income to your entire federal income. **Fill out your federal return first. Do this even if you are not required to file a federal form.** You must use the information from your federal return to complete your Oregon return. You must include a copy (front and back) of your federal Form 1040, 1040A, 1040EZ, 1040NR, or 1040NR-EZ with your Oregon return. If you don't provide a copy of your federal return, your Oregon subtractions, deductions, modifications, and credits may be adjusted or denied. Do not include any federal schedules. We may ask for copies of schedules or additional information later.

**Oregon RDPs:** To correctly figure your Oregon tax liability, you must complete a federal income tax return "as if" you were filing married filing jointly or married filing separately. Check the "Calculated using 'as-if' federal return" box on the form.

For more information on how to file as an RDP, visit [www.oregon.gov/dor/personal](http://www.oregon.gov/dor/personal).

## Step 2: Select the appropriate Oregon form

To decide whether to use Form 40N or 40P, see page 7.

## Step 3: Fill out the Oregon form

Use blue or black ink only for easier reading and faster processing. Equipment used to scan documents and checks can't read gel ink or certain colors and using them will delay the processing of your return.

### Fiscal year filers

Write the end date of your fiscal year in the "Tax year ending" box in the upper left corner of the return.

### Oregon resident

For part-year Oregon residents, enter the dates you were an Oregon resident during 2015. For example, "from 01/01/2015 to 04/15/2015," or "from 03/01/2015 to 12/31/2015." Leave blank if you were not an Oregon resident at any time during the year.

## Check the boxes

### Amended return

If you're amending your 2015 return, check the "Amended return" box on the return. See page 9 for further instructions.

### Calculated using "as if" federal return

Check the "Calculated using 'as if' federal return" box on the return if:

- You're filing as an Oregon RDP; or
- You're filing married filing separately for Oregon only with a different residency status than your spouse; or
- You did not file a federal return.

### Extension filed

If you received an extension, check the "Extension" box on the return. See page 8 for more information.

### Bankruptcy

If you're filing a short-year return due to a bankruptcy, fill in the "Tax year ending" box and check the "Bankruptcy" box on the return.

### Form 24—Like-kind property exchange or conversions

Check the "Form 24" box on the return if you're electing to defer gain on like-kind property that is exchanged or converted. You will report the gain to Oregon when it's reported on your federal return (federal Form 8824). You must include Oregon Form 24, *Oregon Like-Kind Exchanges/Involuntary Conversions*, 150-800-734, with your Oregon return or electronically, through our website, [www.oregon.gov/dor](http://www.oregon.gov/dor); click the link for Revenue Online.

### Military

Check the "Military" box on the return if you're a non-resident with military pay. See page 7.

### Employment exception

Check the "Employment exception" box on the return if you're considered an Amtrak or waterway worker. See page 6.

## Name and address

Type or clearly print you and your spouse's names, SSNs, dates of birth, complete mailing address, and daytime telephone number on your return. **Enter your spouse's information even if you're filing married filing separately.** If the taxpayer died in 2015 or 2016, check the "deceased" box next to their name.

**SSN.** The request for your SSN is authorized by Section 405, Title 42, of the United States Code. You **must** provide this information. It will be used to establish your identity for tax purposes only.

**Individual taxpayer identification number (ITIN).** If the IRS issued you an ITIN because you don't have an SSN, enter your ITIN wherever your SSN is requested.

If you don't have an ITIN, you need to request one from the IRS. If you applied for an ITIN, check the "Applied for" box where your SSN is requested and file your return by April 18, 2016. **Don't** include your ITIN application (federal Form W-7) with your Oregon return. Keep it with your records. For Form W-7, go to the IRS website, [www.irs.gov](http://www.irs.gov), or call the IRS toll-free at 1 (800) 829-1040. When the IRS issues you an ITIN, send a copy of your ITIN letter to us. **Refunds will not be issued without a valid SSN or ITIN.**

**Date of birth.** Enter the month, day, and year you were born. For example, "12/23/1977."

## Filing status

**1** – **5** Check the box next to your filing status. Generally, you must use the same filing status for your Oregon and federal returns. Choose only one filing status.

**Exception for Oregon RDPs.** As an RDP, you're not eligible to use the single filing status. For Oregon, you're generally **required** to use married filing jointly or married filing separately. For more information, go to our website or contact us.

**Exceptions for married persons when each person has a different residency status:**

- **Full-year resident and part-year resident.** You may file separate Oregon returns. If you file separate returns for Oregon, you **must** use the married filing separately status. The full-year resident will file Form 40, and the part-year resident will file Form 40P. If you choose to file a joint return for Oregon, use Form 40P.
- **Full-year resident and nonresident.** You may file separate Oregon returns. If you file separate returns for Oregon, you **must** use the married filing separately status. The full-year resident will file Form 40, and

the nonresident will file Form 40N. If you choose to file a joint return for Oregon, use Form 40N.

- **Part-year resident and nonresident.** You may file separate Oregon returns. If you file separate returns for Oregon, you **must** use the married filing separately status. The part-year resident will file Form 40P, and the nonresident will file Form 40N. If you choose to file a joint return for Oregon, use Form 40N.

For more information, go to our website or contact us.

## How to file separate returns for Oregon

**If you're filing married filing separately for Oregon, fill in your spouse's name, SSN, and date of birth.** Report your own share of federal adjusted gross income (AGI) and deductions. Also, report your share of any Oregon additions or subtractions using this formula to determine your percentage:

$$\frac{\text{Your share of federal AGI}}{\text{Joint federal AGI}} = \text{Your percentage (not to exceed 100\%)}$$

**Check the "Calculated using 'as-if' federal return" box on your return.** You must include the following with **both** Oregon returns:

- A federal Form 1040, 1040A, 1040EZ, 1040NR, or 1040NR-EZ prepared "as if" you had filed married filing separately, and
- A copy of the joint Form 1040, 1040A, 1040EZ, 1040NR, or 1040NR-EZ you actually filed with the IRS.

If possible, mail both spouses' Oregon returns in the **same** envelope. **Do not** staple the returns together.

For more information, go to our website.

## Exemptions

**6a & 6b** **Yourself and spouse.** Check the "Regular" exemption boxes for yourself. If you're filing married filing jointly, check the "Regular" exemption box on line 6b for your spouse. **If someone else is able to claim you or your spouse as a dependent, do not check the "Regular" exemption box;** instead, check the corresponding "Someone else can claim you as a dependent" box for yourself or your spouse. Mark this box even if the other person does not claim you as a dependent.

**Severely disabled.** Did you or your spouse have a severe disability at the end of 2015? If so, you may claim an additional exemption. This is different from the disabled child exemption. You may qualify for and claim the severely disabled exemption even if someone else can claim you as a dependent. You're considered to have a severe disability if **any** of the following apply:

- You permanently lost the use of one or both feet; or
- You permanently lost the use of both hands; or

- You're permanently blind; or
- You have a permanent condition that, without special equipment or outside help, limits your ability to earn a living, maintain a household, or transport yourself; or
- You're unable to earn a living due to a permanent condition or impairment of indefinite duration.

If you have a severe disability, your physician must write a letter describing it. Keep the letter with your permanent records in case we request a copy.

If you qualify, check the "Severely disabled" exemption box on line 6a. If your spouse qualifies, check the "Severely disabled" exemption box on line 6b. You and your spouse may also qualify for the loss of use of limbs credit. See *Publication 17*<sup>1/2</sup> for more information.

**Total exemptions for yourself and spouse.** You will receive one exemption if you marked the "Regular" exemption box and no one else is able to claim you. You may also receive one exemption if you have a qualifying severe disability and marked the "Severely disabled" exemption box. Enter the total number of exemptions claimed for yourself on line 6a and for your spouse on line 6b. If someone else can claim you, your exemption will be zero.

**6c All dependents.** In the chart, enter your dependents' first names, last names, relationship codes using the table below, SSNs, and dates of birth. In most cases, you will list the same dependents you claimed on your federal return. Total the number of dependents claimed on line 6c.

**Relationship codes**

Title	Code	Relationships included
Son/Daughter	SD	Son, daughter, adopted child.
Stepchild	SC	Stepson, stepdaughter.
Foster child	FC	Foster child.
Sibling	SB	Brother, sister, half-brother, half-sister, step brother, step sister, brother-in-law, sister-in-law.
Parent	PT	Father, mother, stepfather, stepmother, father-in-law, mother-in-law.
Spouse	SP	Husband, wife.
Grandparent	GP	Grandmother, grandfather.
Grandchild	GC	Grandson, granddaughter.
Aunt/Uncle	AU	Aunt, uncle.
Niece/Nephew	NN	Niece, nephew.
Other relative	OR	Son-in-law, daughter-in-law, cousin, etc.
No relation	NR	Any other qualifying individual.

**6d Children with a disability.** You may be entitled to an additional personal exemption for your dependent child who has a qualifying disability. To qualify, **all** of the following must be true:

- Your child qualified as your dependent for 2015, **and**
- Your child was eligible for "early intervention services" or received special education as defined by the State Board of Education of the state where the child attends school, **and**
- Your child has a disability as of December 31, 2015 under the federal Individuals with Disabilities Education Act. Eligible disabilities include:
  - Intellectual disability.
  - Hearing impairment.
  - Visual impairment.
  - Deafblindness.
  - Communication disorder.
  - Emotional disturbance.
  - Orthopedic impairment.
  - Traumatic brain injury.
  - Autism spectrum disorder.
  - Specific learning disorder.

You must get a statement of eligibility that confirms one of the disabilities listed above and a cover sheet from **one** of the following:

- The child's Individualized Education Program (IEP), or
- The child's Individualized Family Service Plan (IFSP).

Keep the statement and cover sheet with your permanent records. Mark the "Check if child with qualifying disability" box next to each child with a qualifying disability. Total the number of dependents with a qualifying disability on line 6d.

**6e Total exemptions.** Add lines 6a through 6d onto line 6e. This is your total number of exemptions.

# Form 40N and 40P line instructions

The following instructions are for lines not fully explained on the forms. For general Form 40N and Form 40P instructions, see page 11.

**Do not fill in cents.** You must round off cents to the nearest whole dollar. For example, \$99.49 becomes \$99.00 and \$99.50 becomes \$100.00.

The forms have two columns for figures. These are to compare your total federal adjusted gross income (column F) to the portion of your federal adjusted gross income that Oregon taxes (column S).

## Federal column (F) instructions, lines 7F–29F

The first column is labeled “Federal column (F).” For lines 7F–29F of the federal column, fill in the same amounts you reported on your federal return.

**Line 29F, “Income after adjustments,” must match your 2015 federal AGI** from federal Form 1040, line 37; Form 1040A, line 21; Form 1040EZ, line 4; Form 1040NR, line 36; or Form 1040NR-EZ, line 10. If it does not match, check that you transferred the figures from your federal return correctly.

## Oregon column (S) instructions, lines 7S–29S

The second column is labeled “Oregon column (S).” Use this column to list the amounts from the federal column that Oregon taxes.

**Nonresidents.** Oregon taxes only your income from **Oregon sources**. To compute your Oregon source income, see “What does income from Oregon sources include?” on page 6.

**Part-year residents.** Oregon taxes your income from **all sources** earned or received while you were an Oregon resident. Oregon also taxes your income from **Oregon sources** while you were a nonresident. To compute your Oregon source income, see “What does income from Oregon sources include?” on page 6.

**Full-year residents.** Oregon taxes your income from **all sources**. If you’re a full-year resident filing joint on Form 40N or 40P, all of your income included in the federal column must be included in the Oregon column.

**7S Wages, salaries, and other pay for work. Part-year residents**—fill in amounts you earned while an Oregon resident and any amounts you earned working in Oregon while you were a nonresident.

**Full-year residents**—fill in all income included in the federal column.

**Nonresidents**—fill in the amount earned while working in Oregon. If that amount differs from the Oregon wages on your W-2 form, request a signed statement from your employer verifying the number of days worked in Oregon and the total number of days worked everywhere. Keep this document and a statement explaining your calculations with your records. If your Oregon wages are not stated separately on your W-2, compute your Oregon source income using the following formula:

$$\frac{\text{Days actually worked in Oregon}}{\text{Days actually worked everywhere}} \times \frac{\text{Total wages (line 7F)}}{\text{Oregon wages (line 7S)}}$$

**Do not** include holidays, vacation days, and sick days as days actually worked. **However, you must** include sick *pay*, holiday *pay*, and vacation *pay* in total wages. See the example below. If Oregon is the only state you worked in, don’t use this formula; all your earnings are taxable and should be reported in the Oregon column.

**Example:** Savannah lives in Idaho but works in Oregon. Of her 260 total days paid, she worked 138 days in Oregon and 92 days from her home in Idaho. She received 14 days vacation pay, eight days sick pay, and eight days holiday pay. She earned \$50,000 in wages. She figured the amount subject to Oregon tax as follows:

Total days paid	260
Less: Vacation days	(14)
Sick days	(8)
Holidays	(8)
Total days worked everywhere	230

$$\frac{\text{Days actually worked in Oregon (138)}}{\text{Days actually worked everywhere (230)}} \times \frac{\$50,000}{\text{(Total wages)}} = \$30,000$$

Savannah’s compensation reported in the federal column, Form 40N, line 7F is \$50,000 and in the Oregon column, Form 40N, line 7S is \$30,000.

## Exceptions

Mark the “Employment exception” box on the return if you’re a:

- Nonresident with interstate transportation wages who qualifies for special treatment under the Amtrak Act.
- Nonresident who works on the Bonneville, The Dalles, John Day, or McNary dams. You should exclude this income from the Oregon column.

- Nonresident who works as a crewmember or pilot on a vessel in interstate navigable waters. You should exclude this income from the Oregon column.
- Nonresident who works as a crewmember or pilot on aircraft in Oregon and at least one other state. You may be able to exclude this income from the Oregon column.

Visit our website for details about any of these exceptions.

Mark the "Military" box on the return if you're a:

- Nonresident member of the U.S. Armed Forces stationed in Oregon. Military pay of a nonresident isn't Oregon source income. Don't report your military pay in the Oregon column on line 7S.
- Nonresident military spouse. Your wages are exempt from state tax if you're only in Oregon because your spouse is stationed here. File Form 40N if you had non-wage Oregon income or to claim a refund of Oregon tax withheld from wages.

If Oregon taxes were withheld from your exempt wages, you should file a new Form W-4 with your employer. Write "For Oregon only" at the top left corner of Form W-4 and write "Exempt" on line 7.

**8S Taxable interest income.** Determine the amount of interest income you received from an Oregon business activity while you were a nonresident. Add any interest included on your federal return that you received during the part of the year you were an Oregon resident.

**9S Dividend income.** Determine the amount of dividends received from an Oregon business activity source while you were a nonresident. This includes dividends passed through to you from an S corporation or partnership doing business in Oregon. These are dividends your S corporation or partnership received on the stock of another corporation. Add any dividend income included on your federal return that you received during the part of the year you were an Oregon resident.

**10S State and local income tax refunds.** Enter the amount reported on your federal return that is:

- A refund from Oregon or any other state or locality for which you claimed a deduction on an Oregon return in a prior year, or
- A refund received during the part of the year you were an Oregon resident.

**11S Alimony received.** Fill in alimony you received for the part of the year you were an Oregon resident.

**12S Business income or loss.** Determine the amount of income or loss from an Oregon business

activity for the part of the year you were a nonresident. Add all business income or losses incurred during the part of the year you were a resident of Oregon.

**13S Capital gain or loss.** Determine the amount of gain or loss and capital gain distributions from Oregon sources for the part of the year you were a nonresident. Add the amount of your capital gains received and losses incurred during the part of the year you were an Oregon resident. Limit losses to \$3,000 (\$1,500 if married filing separately).

**14S Other gains or losses.** Determine the amount of gain or loss from Oregon sources for the part of the year you were a nonresident. Add the gain received or loss incurred during the part of the year you were an Oregon resident.

**15S IRA distributions.** Determine the amount of any taxable individual retirement arrangement (IRA) distributions you received while an Oregon resident. Include any amounts you converted from a regular IRA into a Roth IRA while you lived in Oregon. If you lived in another state when you made contributions to your IRA, you may need more information. If so, contact us.

**16S Pensions and annuities.** Enter the amount of taxable pensions and annuities (including federal pensions) you received while an Oregon resident. Don't include any Railroad Retirement Benefits (RRB-1099-R). If you're domiciled in Oregon, you must also include any Oregon source pensions you received. This is true even though you may qualify as a nonresident under the tests for special case Oregon residents or Oregon residents living abroad. See page 7.

For example, if you lived in Oregon before you retired **and have not changed your permanent home to another state**, you must report the pension you earned while you worked in Oregon. If you get a federal pension, you may qualify for a subtraction on Schedule OR-ASC-N/P, section 3. If you need help, contact us.

**17S Schedule E income.** Determine the income from rents, royalties, partnerships, limited liability companies, real estate investment trusts (REITs), estates, trusts, etc. from federal Schedule E, you received and losses incurred from Oregon sources during the part of the year you were a nonresident. Add the amount received or incurred during the part of the year you were an Oregon resident. Partners and S corporation shareholders may need more information. If so, contact us.

**18S Farm income or loss.** Determine the amount of income received or loss incurred from an Oregon farm while you were a nonresident. Add the amount of farm income received or loss incurred during the part of the year you were an Oregon resident.

**19S Unemployment compensation and all other taxable income.** Determine the amount of unemployment, lottery winnings, and any other taxable income from Oregon sources. Also include on line 19S any severance pay received because of an Oregon job. You can subtract the qualified amount on Schedule OR-ASC-N/P, section 3. Also, include any other taxable income you received during the part of the year you were a resident, and any other Oregon source income you received while you were a resident. Don't include Social Security, Railroad Retirement Board benefits, or Railroad Retirement Board unemployment benefits, as Oregon doesn't tax this income.

Include all payments received from the Oregon Lottery in the Oregon column. Oregon Lottery means all games offered by the Oregon State Lottery Commission and purchased in Oregon. To determine whether you can subtract some or all of this amount, see *Publication 17½*.

## Adjustments

Generally, adjustments are amounts that can reduce your federal taxable income. Items claimed on return lines 21 through 26 can be found in *Publication 17½*.

**27F/S Total adjustments from Schedule OR-ASC-N/P.** If you qualify for an adjustment, you must include Schedule OR-ASC-N/P with your return with the numeric code and amount of the adjustment you're claiming. Enter the total from Schedule OR-ASC-N/P, section 1 on Form 40N or 40P, line 27. For more information, go to our website or refer to *Publication 17½*.

Adjustments are listed below. Items with an asterisk are explained beneath the listing.

- Certain business expenses of reservists, performing artists, and fee-basis government officials from federal Form 1040, line 24 [code 002].
- Domestic production activities deduction from federal Form 1040, line 35 [code 006].\*
- Health savings account deduction from federal Form 1040, line 25 [code 003].
- Moving expenses [code 009].
- Penalty on early withdrawal of savings from federal Form 1040, line 30 [code 004].
- Any other adjustment reported on federal Form 1040, line 36 [code 005].

**Domestic production activities deduction from Form 1040, line 35 [code 006].** If you claimed a domestic production activities deduction on your federal return, you will have an addition on your Oregon return. Oregon does not allow this deduction. See *Publication 17½* for more information.

## Additions

Generally, additions are items not taxed by the federal government, but taxed by Oregon. Additions increase the income taxed by Oregon.

**30F/S Total additions from Schedule OR-ASC-N/P.** If you qualify for an addition, you must include Schedule OR-ASC-N/P with your return with the numeric code and amount of the addition you're claiming. Enter the totals from Schedule OR-ASC-N/P, section 2, on lines 30F and 30S of your return. For more information, go to our website or refer to *Publication 17½*.

Additions are listed below.

- Accumulation distribution of a trust [code 132].
- Basis of business assets transferred to Oregon [code 150].
- Business credit—unused [code 122].
- Depletion in excess of property basis [code 151].
- Depreciation difference for Oregon [code 152].
- Disposition of inherited Oregon farmland or forestland [code 106].
- Domestic production activities deduction [code 102].
- Federal depreciation disconnect [code 153].
- Federal election on interest and dividends of a minor child [code 107].
- Federal law disconnect [code 131].
- Fiduciary adjustment from Oregon estates and trusts [code 133].
- Gain or loss on the sale of depreciable property with different basis for Oregon [code 154].
- Individual Development Account non-qualified withdrawal [code 137].
- Interest on state and local government bonds outside of Oregon [code 158].
- Lump-sum distribution from a qualified retirement plan [code 139].
- Net operating loss—non-Oregon source [code 116].
- Oregon 529 College Savings Plan non-qualified withdrawal [code 117].
- Oregon deferral of reinvested capital gain [code 118].
- Partnership and S corporation modifications for Oregon [code 119].
- Passive activity losses [code 155].
- Passive foreign investment company income [code 140].
- Prescription drug plan subsidies [code 123].
- Prior federal subtraction for retirement savings contribution [code 159].
- Suspended losses [code 156].
- Taxes paid to another state (individual and business) [code 148].



## Subtractions

Generally, subtractions are items the federal government taxes but Oregon does not. Subtractions reduce the income taxed by Oregon.

**32F Social Security and tier 1 Railroad Retirement Board benefits.** Subtract Social Security and tier 1 Railroad Retirement Board benefits **only** if you included them in the federal column on line 19F.

**33F/S Total subtractions from Schedule OR-ASC-N/P.** If you qualify for a subtraction that is not claimed on your return, you must include Schedule OR-ASC-N/P with your return with the numeric code and amount of the subtraction you're claiming. Enter the total from Schedule OR-ASC-N/P, section 3, on lines 33F and 33S of your return. For more information, go to our website or refer to Publication 17½.

Subtractions are listed below. Items with an asterisk are explained beneath the listing.

- American Indian [code 300].
- Basis of business assets transferred to Oregon [code 358].
- Capital Construction Fund (CCF) [code 339].
- Construction worker and logger commuting expenses [code 303].
- Depreciation difference for Oregon [code 354].
- DISC dividend payments [code 352].
- Discharge of indebtedness [code 350].
- Federal business and health coverage credits [code 340].
- Federal education credits (tuition and fees deduction) [code 308].\*
- Federal gain previously taxed by Oregon [code 306].
- Federal pension income [code 307].
- Fiduciary adjustments from Oregon estates and trusts [code 310].
- Film production labor rebate [code 336].
- Gain or loss on the sale of depreciable property with a different basis for Oregon [code 355].
- Income from a composite return [code 341].
- Individual Development Account contribution [code 314].
- Interest and dividends from U.S. government bonds and notes [code 315].
- Interest from local government bonds [code 317].
- Land donations to educational institutions [code 316].
- Legislative Assembly salary and expenses [code 335].
- Military active duty pay [code 319].
- Mobile home park capital gain [code 338].
- Mobile home tenant payment [code 344].
- Net operating loss [code 321].
- Oregon 529 College Savings Plan deposit [code 324].
- Oregon income tax refund [code 325].\*
- Oregon investment advantage [code 342].
- Oregon Lottery winnings [code 322].
- Partnership or S corporation modifications for Oregon [code 323].
- Passive activity losses [code 356].
- Previously taxed employee retirement plans [code 327].
- Previously taxed IRA conversions [code 348].
- Public Safety Memorial Fund award [code 329].
- Railroad Retirement Board benefits: tier 2, windfall/ vested dual, supplemental, and railroad unemployment benefits [code 330].
- Scholarship awards used for housing expenses [code 333].
- Special Oregon medical subtraction [code 351].\*
- Suspended losses [code 357].
- Taxable benefits paid for former RDPs [code 347].
- U.S. government interest in IRA or Keogh distributions [code 331].

**Federal education credits (tuition and fees deduction) [code 308].** *Note: The tuition and fees deduction was expired at the time this publication was printed. If Congress did not reinstate this deduction, you're not allowed a tuition and fees deduction for Oregon.* Did you claim the American Opportunity or Lifetime Learning credit on your federal return? If so, you weren't allowed a federal tuition and fees deduction because you claimed the federal credit. Because Oregon does not have credits similar to the American Opportunity or Lifetime Learning credits, you can subtract the federal tuition and fees deduction on your Oregon return up to the amount you would have been allowed on your federal return. You can claim the lesser of the federal limit (\$4,000 or \$2,000, depending on your income) or your actual expenses. You can't claim the deduction if:

- You file married filing separately;
- You can be claimed as a dependent by another person; or
- Your federal modified adjusted gross income is more than \$80,000 (\$160,000 if married filing jointly).

**Federal column.** In section 3 of Schedule OR-ASC-N/P, enter the amount of the federal tuition and fees deduction you would have claimed on your federal return if you hadn't claimed the federal credit. The maximum deduction you can claim is \$4,000 or \$2,000, depending on your income.

**Oregon column.** For the part of the year you were a non-resident, calculate your subtraction using the following formula:

$$\frac{\text{Oregon source income while a nonresident}}{\text{Total income while a nonresident}} \times \frac{\text{Qualified tuition and fees paid while a nonresident}}{\text{Total income while a nonresident}} = \text{Nonresident deduction}$$

Add the amount of qualified education expenses you paid while an Oregon resident. Enter the smaller of

the results or the amount you would have deducted on your federal return, but no more than \$4,000.

**Oregon income tax refund [code 325].** This subtraction is for Oregon state income tax refunds only. Do not include other local, county, or other states' tax refunds.

**Federal column.** Enter your Oregon state income tax refund only if you included it on line 10F of the federal column.

**Oregon column.** Enter your Oregon state income tax refund only if you included it on line 10S of the Oregon column.

**Special Oregon medical subtraction [code 351].** If you or your spouse were age 63 or older on December 31, 2015 and have qualifying medical and/or dental expenses, you may qualify for the special Oregon medical subtraction. See the 2015 IRS *Publication 502* for types of qualifying medical and dental expenses. You **cannot** subtract medical and dental expenses:

- For anyone under age 63;
- For dependents, regardless of their age; or
- That have already been deducted on your return.

You may not claim a subtraction if your federal adjusted gross income exceeds \$200,000 (\$100,000 for those who file as single or married filing separately). Use the worksheet below to determine the amount of your subtraction.

**Shared expenses.** Did you have medical expenses or dental expenses for more than one person? If so, you must determine which expenses belong to each qualifying taxpayer. Start by totaling all expenses for each qualifying taxpayer. If you have expenses that are for more than one person, such as insurance premiums, split the expense by the most reasonable method. For example, two qualifying taxpayers filing jointly who paid \$4,000 in insurance premiums during the year would split the expenses in half, or \$2,000 each. For more information on how to split shared expenses, refer to *Publication 17*½.

**Special Oregon medical subtraction worksheet instructions**

For worksheet lines 1 through 7, complete column A for yourself first and then column B for your spouse using the following instructions.

**Line 1: Medical and dental expenses for each taxpayer**—If you were age 63 or older on December 31, 2015, enter **your** total qualifying medical and dental expenses. See "Shared expenses" for information about splitting expenses, such as insurance premiums. If your medical expenses were not included in your itemized deductions (Schedule A, line 1) or you didn't itemize your deductions, skip lines 2–4, enter the amount from line 1 on line 5, and go to line 6. If you

don't have qualifying expenses or were not age 63 or older on December 31, 2015—**STOP**—you don't qualify for the subtraction based on your expenses. Complete column B for your spouse to see if you can still qualify for the subtraction based on their expenses.

**Line 2: Total medical and dental expenses**—Enter the total medical and dental expenses you claimed as an itemized deduction (Schedule A, line 1).

**Line 3:** Divide line 1 by line 2 and round to three decimal places. For example: 0.7308 is rounded to 0.731.

**Line 4:** Enter the lesser of the medical and dental expenses claimed on line 1 of your Schedule A or the amount claimed on line 3 of your Schedule A.

**Line 5:** Multiply line 3 and line 4 and round to whole dollars. For example: \$101.49 is rounded to \$101.

**Line 6:** Enter the maximum allowable medical subtraction for your filing status and federal adjusted gross income from the table. Don't enter more than \$1,800.

**Line 7:** Enter the lesser of line 5 or line 6.

**Line 8:** Add the amounts from line 7 column (A) and column (B). This is your special Oregon medical subtraction. Enter this amount on Schedule OR-ASC-N/P, section 3 using code 351.

**Special Oregon medical subtraction worksheet**

	Column (A) You	Column (B) Spouse
1. Medical and dental expenses for each qualifying taxpayer.	1. _____	1. _____
2. Total medical and dental expenses (Schedule A, line 1).	2. _____	2. _____
3. Divide line 1 by line 2 and round to three decimal places.	3. _____	3. _____
4. Enter the lesser of the expenses claimed on line 1 of your Schedule A, or the amount on line 3 of your Schedule A.	4. _____	4. _____
5. Multiply line 3 by line 4 and round to whole dollars.	5. _____	5. _____
6. Maximum allowable medical subtraction from the table. (\$1,800 maximum).	6. _____	6. _____

7. Enter the lesser of line 5 or line 6. 7. \_\_\_\_\_ 7. \_\_\_\_\_
8. Add line 7, columns (A) and (B), and enter the total. This is your special Oregon medical subtraction. 8. \_\_\_\_\_

If your filing status is:	And your federal adjusted gross income on line 29F of Form 40P or 40N is:		Then your maximum allowable medical subtraction per taxpayer meeting the age requirement is:
	at least—	but less than—	
Married filing jointly, or Head of household, or Qualifying widow(er)	-0-	\$50,000	\$1,800
	\$50,000	\$100,000	\$1,400
	\$100,000	\$200,001	\$1,000
	\$200,000 or more		-0-
Single or Married filing separately	-0-	\$25,000	\$1,800
	\$25,000	\$50,000	\$1,400
	\$50,000	\$100,001	\$1,000
	\$100,000 or more		-0-

**Example:** Brennan and Maggie were ages 64 and 63 on December 31, 2015. They are filing a joint return with a federal adjusted gross income of \$55,000 and are itemizing deductions for Oregon. In 2015, they paid \$5,700 in medical expenses that they claimed on Schedule A. Of that, \$3,500 was for Brennan’s expenses, \$1,000 for Maggie’s expenses, and \$1,200 for Maggie’s mother, who they claim as a dependent. Both Brennan’s and Maggie’s expenses qualify for the special Oregon medical subtraction. Since Maggie’s mother is a dependent, her expenses don’t qualify for the subtraction. Brennan and Maggie would determine their subtraction as follows.

### Special Oregon medical subtraction worksheet

- |   | Column<br>(A)<br>You | Column<br>(B)<br>Spouse |
|---|----------------------|-------------------------|
| 1. Medical and dental expenses for each qualifying taxpayer.  | 1. <u>\$3,500</u>    | 1. <u>\$1,000</u>       |
| 2. Total medical and dental expenses (Schedule A, line 1).  | 2. <u>\$5,700</u>    | 2. <u>\$5,700</u>       |
| 3. Divide line 1 by line 2 and round to three decimal places.   | 3. <u>0.614</u>      | 3. <u>0.175</u>         |
| 4. Enter the lesser of the expenses claimed on line 1 of your Schedule A, or the amount on line 3 of your Schedule A. | 4. <u>\$5,500</u>    | 4. <u>\$5,500</u>       |

5. Multiply line 3 by line 4 and round to whole dollars. 5. \$3,377 5. \$963
6. Maximum allowable medical subtraction from the table. (\$1,800 maximum). 6. \$1,400 6. \$1,400
7. Enter the lesser of line 5 or line 6. 7. \$1,400 7. \$963
8. Add line 7, columns (A) and (B), and enter the total. This is your special Oregon medical subtraction. 8. \$2,363

**35 Oregon percentage.** Divide the amount on line 34S by the amount on line 34F. Round the decimal to three places. Write the result as a percentage on line 35. **Don’t fill in more than 100 percent or less than -0-.**

### Examples

Line 34S	Line 34F			Oregon percentage Line 35
\$8,000	÷ \$30,000	=	0.266666	Round to 0.267 ( <u>26.7</u> % )
(1,000)	÷ 15,000	=	-0-	(0%) ( <u>0.0</u> % )
20,000	÷ 15,000	=	1.333	Limited to 1.000 ( <u>100.0</u> % )

If the amount on line 34S is **greater than** the amount on line 34F, your Oregon percentage is 100 percent. This is true even when line 34F is a negative number.

## Deductions and modifications

You can claim **net itemized deductions** or **Oregon’s standard deduction**, whichever is larger, **but not both**.

- If you claim itemized deductions, fill in lines 37–39.
- If you claim the standard deduction, fill in line 40.

**Note:** If you’re filing married filing separately and one spouse itemizes, both spouses must use itemized deductions. If your spouse itemizes and you don’t, your standard deduction is -0-.

**37 Itemized deductions.** You can claim your total itemized deductions after federal limitations shown on federal Schedule A, line 29.

Are you filing separate returns for Oregon only? If so, determine your share of itemized deductions by the percentage you figured on line 35 or you can separate each spouse’s itemized deductions if you can clearly identify your own itemized deductions.

You can claim itemized deductions on your Oregon return even if you don’t itemize on your federal return. **If you itemize for Oregon only**, fill out a federal Schedule A for Oregon purposes. Be sure to include your

state taxes even when itemizing for Oregon only, then subtract your Oregon state income tax on line 38. Use your federal AGI to figure the Schedule A limitations. Remember to keep Schedule A with your tax records.

**38 State income tax or sales tax claimed as an itemized deduction.** *Note: The ability to claim sales tax as a deduction on Schedule A was expired at the time this publication was printed. If Congress didn't reinstate this deduction, you aren't allowed a deduction of sales tax for Oregon.* Fill in the amount of **Oregon** state income tax or any state and local sales tax you claimed as an itemized deduction on federal Schedule A, line 5. Don't include local or county income tax amounts.

Are you claiming an Oregon credit for income taxes paid to another state and deducting the other state's taxes on Schedule A? If so, include the other state's 2015 net tax liability or the other state's 2015 tax claimed as an itemized deduction, whichever is less. For the credit instructions, see *Publication 17½*.

Did you limit itemized deductions on your federal return because your adjusted gross income exceeded the threshold amount? If so, you may need to complete a worksheet to determine the correct amount of Oregon income tax to subtract from itemized deductions. The itemized deduction limit worksheet is available in *Publication 17½*.

**40 Standard deduction.** Generally, your standard deduction is based on your filing status:

Single.....	\$2,145
Married filing jointly.....	\$4,295
Married filing separately	
If spouse claims standard deduction.....	\$2,145
If spouse claims itemized deductions.....	-0-
Head of household.....	\$3,455
Qualifying widow(er).....	\$4,295

**Standard deduction—Age 65 or older, or blind.** Check the boxes on line 40a if you or your spouse were age 65 or older or were blind on December 31, 2015. You're entitled to a larger standard deduction. If you or your spouse are permanently blind, you may also qualify for the severely disabled exemption credit; see page 12 for more information.

If you checked one or more of the boxes on line 40a, multiply the number of boxes checked by:

- \$1,200 if single or head of household; or
- \$1,000 for all other filers.

Add this amount to the standard deduction for your filing status from above. Fill in the total on line 40.

**Standard deduction—Dependents.** If someone else can claim you as a dependent, your standard deduction is limited to the **larger** of:

- Your earned income plus \$350, up to the maximum allowed for your filing status; or
- \$1,050.

The limit applies if you can be claimed as a dependent on another person's return, but are not claimed by the other person.

If you're a dependent, use the following worksheet to figure your standard deduction unless you're married. If you're a dependent and married, contact us.

**Standard deduction worksheet for single dependents:**

- |  |                         |
|--|-------------------------|
| 1. Enter your earned income. (See definition below.)   | 1. _____                |
| 2. Additional \$350.   | 2. <u>    350    </u>   |
| 3. Add lines 1 and 2.  | 3. _____                |
| 4. Minimum standard deduction.   | 4. <u>    1,050    </u> |
| 5. Enter the larger of line 3 or line 4.   | 5. _____                |
| 6. Basic standard deduction for single.  | 6. <u>    2,145    </u> |
| 7. Enter the smaller of line 5 or line 6.  | 7. _____                |
| 8. If you're age 65 or older, enter \$1,200. Otherwise, enter -0-.   | 8. _____                |
| 9. If you're blind, enter \$1,200. Otherwise, enter -0-.   | 9. _____                |
| 10. Add lines 7, 8, and 9. Enter the total here and on Form 40N or Form 40P, line 40. This is your standard deduction. | 10. _____               |

**Earned income** is salaries, wages, tips, professional fees, or other amounts received as pay for work you actually performed, and any part of a scholarship or fellowship grant that you received that is included in your gross income.

**Standard deduction—Nonresident aliens.** The standard deduction for nonresident aliens (as defined by federal law) is -0-.

**42 2015 federal tax liability subtraction.** Complete the following worksheet to determine your **federal tax liability** subtraction for 2015. Carefully follow the instructions. Don't confuse your **federal tax liability** on your federal return with the **federal tax withheld** on your Form(s) W-2. They are not the same. **RDPs and those filing married filing separately for Oregon only:** Use amounts from your actual return(s), **not** your "as if" return.

**Note:** Calculations in addition to those listed below are required if you:

- Need to file a 2015 amended return and you either filed an amended federal return or we corrected the federal tax subtraction on your original return; or
- Filed your federal return on Form 1040NR or 1040NR-EZ; or,
- Claimed recapture taxes on your federal return; or,
- Claimed first-time homebuyer credit recapture from Form 1040, line 59b.

If any of the above apply to you, refer to the worksheet in *Publication 17½* to calculate your federal tax subtraction.

1. Enter your federal tax liability from Form 1040, line 56; Form 1040A, line 37; Form 1040-EZ, line 10. \_\_\_\_\_
2. Enter your excess advance premium tax credit from Form 1040, line 46; Form 1040A line, 29. \_\_\_\_\_
3. **Subtract** line 2 from 1 (if less than zero, enter zero). \_\_\_\_\_
4. Enter your additional tax on retirement plans from Form 1040 line 59. \_\_\_\_\_
5. **Add** lines 3 and 4. \_\_\_\_\_
6. Enter your American Opportunity credit from Form 1040, line 68; Form 1040A, line 44. \_\_\_\_\_
7. Enter your total premium tax credit from Form 8962, line 24. \_\_\_\_\_
8. **Add** lines 6 and 7. \_\_\_\_\_
9. **Subtract** line 8 from 5 (if less than zero, enter zero). \_\_\_\_\_
10. Enter your maximum allowable tax liability subtraction from the table. Don't fill in less than zero or more than \$6,450. \_\_\_\_\_
11. Enter the **smaller** of line 9 or line 10 here and on Form 40N or 40P, line 42. \_\_\_\_\_

If your filing status is:	And your federal adjusted gross income is:		Then your maximum allowable tax liability subtraction is:
	at least—	but less than—	
Single	-0-	\$125,000	\$6,450
	\$125,000	\$130,000	\$5,150
	\$130,000	\$135,000	\$3,850
	\$135,000	\$140,000	\$2,550
	\$140,000	\$145,000	\$1,250
	\$145,000 or more		-0-
Married filing separately	-0-	\$125,000	\$3,225
	\$125,000	\$130,000	\$2,575
	\$130,000	\$135,000	\$1,925
	\$135,000	\$140,000	\$1,275
	\$140,000	\$145,000	\$625
	\$145,000 or more		-0-
Married filing jointly, or Head of household, or Qualifying widow(er)	-0-	\$250,000	\$6,450
	\$250,000	\$260,000	\$5,150
	\$260,000	\$270,000	\$3,850
	\$270,000	\$280,000	\$2,550
	\$280,000	\$290,000	\$1,250
	\$290,000 or more		-0-

**Caution:** Don't include any of the following in your calculation:

- Self-employment tax.
- Social Security and Medicare tax on tips.
- Household employment taxes.

**Are you amending your 2015 return?** Usually you can't change your federal tax subtraction on your amended return. See *Publication 17½* for more information before making changes to this subtraction.

**Federal tax from a prior year and foreign tax:** Did you pay additional federal tax in 2015 because you were audited or filed an amended return? Did you pay taxes to a foreign country? If so, you may be able to subtract the additional tax. Refer to *Publication 17½* for more information.

**43 Total modifications from Schedule OR-ASC-N/P.** Modifications further adjust your Oregon taxable income. If you qualify for a modification, you must include Schedule OR-ASC-N/P with your return with the numeric code and amount of the modification you're claiming. Enter the total from Schedule OR-ASC-N/P, section 4, on line 43 of your return. For more information, go to our website or refer to *Publication 17½*.

Did you limit itemized deductions on your federal return because your federal adjusted gross income exceeded the threshold amount? If so, you may need to complete a worksheet to determine the correct addition amount for itemized deduction addbacks for Oregon credits. The itemized deduction limit worksheet is available in *Publication 17½* at [www.oregon.gov/dor/personal](http://www.oregon.gov/dor/personal).

Modifications are listed below.

- Artists who make a charitable art donation (Form 40P filers only) [code 600].
- Charitable donations not allowed for Oregon [code 650].
- Claim of right income repayments [code 649].
- Contributions to Alternative Fuel Vehicle Fund [code 641].
- Contributions to Child Care Fund [code 642].
- Contributions to Oregon Cultural Trust [code 643].
- Contributions to Oregon Production Investment Fund [code 644].
- Contributions to Renewable Energy Development Fund [code 645].
- Contributions to a University Venture Development Fund [code 646].
- Federal estate tax on income in respect of a decedent [code 605].
- Federal health coverage tax credit [code 609].
- Federal income tax refunds [code 601].
- Federal tax from a prior year [code 602].
- Foreign tax [code 603].
- Gambling losses claimed as an itemized deduction [code 604].

- Individual Development Account donation credit add-back [code 648].
- Mortgage interest credit [code 607].

**Form 40N 44** **Modifications multiplied by the Oregon percentage (Form 40N filers only).** Non-residents must complete the worksheet below to determine the modifications you're entitled to claim.

1. Enter amount from Form 40N, line 41. \_\_\_\_\_
2. Enter amount from Form 40N, line 42. \_\_\_\_\_
3. Enter amount from Form 40N, line 43. \_\_\_\_\_
4. Add together amounts from lines 1, 2, and 3 above. Enter result here. \_\_\_\_\_
5. Enter your Oregon percentage from Form 40N, line 35, here. \_\_\_\_\_
6. Multiply the amount from line 4 by the percentage on line 5. Enter result here and on Form 40N, line 44. \_\_\_\_\_

**Form 40N 45** **Charitable art donation (Form 40N filers only).** Artists who make a charitable art donation may take a full deduction. Enter the amount on Form 40N. Refer to *Publication 17½* for details.

## Oregon tax

**Form 40N 49** **Form 40P 47** **Tax from tax rate charts.** Figure the tax on your taxable income, Form 40N, line 47; or Form 40P, line 45. Use the tax rate charts below. Fill in your tax amount on Form 40N, line 49; or Form 40P, line 47. Double-check that the tax you entered is correct.

**Example:** A married couple's Oregon taxable income is \$29,800. They are filing jointly. They will use chart J for married filing jointly. They figure their tax like this:

		<b>Chart J</b>
Oregon taxable income		\$29,800
Subtract	-	16,800
		13,000
Multiply by 9%	×	0.09
		1,170
Then add	+	1,042
Their Oregon tax is		2,212

**Other tax methods.** If you qualify, you can compute your Oregon tax using one of the following methods:

**Farm income averaging method.** You can use the federal farm income averaging method to compute your Oregon tax even if you didn't use farm income averaging on your federal return. Only Oregon source farm income is considered elected farm income.

If you use Form FIA-40N, *Oregon Farm Income Averaging for Nonresidents*, 150-101-161, to calculate your tax, enter the tax amount from Form FIA-40N, line 19, on Form 40N, line 49; and check box 49a.

If you use Form FIA-40P, *Oregon Farm Income Averaging for Part-year Residents* to calculate your tax, enter the tax amount from Form FIA-40P, line 18, on Form 40P line 47, and check box 47a.

Don't include a copy of Form FIA-40N or Form FIA-40P with your Oregon return. Keep it with your records. Download the form from our website or contact us to order it.

**Farm asset capital gain method.** Did you sell or exchange capital assets primarily used in farming because you were getting out of a farming business? Or, did you sell or exchange a farming business in which you held at least a 10 percent ownership interest? If so, you may be eligible for a reduced tax rate on the net capital gain from the proceeds.

Use Worksheet FCG, *Farm Liquidation Long-Term Capital Gain Tax Rate*, 150-101-167, to calculate tax on your net farm capital gain and your other Oregon income. Download the worksheet from our website or contact us to order it. Do **not** include a copy of Worksheet FCG with your return. Keep it with your records.

### 2015 Tax rate charts

#### Chart S: For persons filing single or married filing separately—

If your taxable income is not over \$3,350..... your tax is 5% of taxable income  
 If your taxable income is over \$3,350 but not over \$8,400..... your tax is \$168 plus 7% of excess over \$3,350  
 If your taxable income is over \$8,400 but not over \$125,000..... your tax is \$521 plus 9% of excess over \$8,400  
 If your taxable income is over \$125,000..... your tax is \$11,015 plus 9.9% of excess over \$125,000

#### Chart J: For persons filing jointly, head of household, or qualifying widow(er) with dependent child—

If your taxable income is not over \$6,700..... your tax is 5% of taxable income  
 If your taxable income is over \$6,700 but not over \$16,800..... your tax is \$335 plus 7% of excess over \$6,700  
 If your taxable income is over \$16,800 but not over \$250,000..... your tax is \$1,042 plus 9% of excess over \$16,800  
 If your taxable income is over \$250,000..... your tax is \$22,030 plus 9.9% of excess over \$250,000



**Nonresidents.** Enter the tax amount from Worksheet FCG, line 7 on Form 40N, line 49 and check box 49b.

**Part-year residents.** Enter the tax amount from Worksheet FCG, line 8, on Form 40P, line 47 and check box 47b.

**Oregon pass-through entity (PTE) reduced tax rate.**

For tax years beginning on or after January 1, 2015, an individual with qualifying income from a partnership or an S corporation may elect to use a reduced tax rate for that income. The reduced tax rate can be used for qualifying income up to \$5 million. For the income to qualify for the reduced tax rate, it must be nonpassive income from a partnership or S corporation that employed at least one employee in Oregon for a total of at least 1,200 hours. See Schedule OR-PTE-NR, *Pass-Through Entity Income Reduced Tax Rate for Oregon Nonresidents*, 150-101-367, or Schedule OR-PTE-PY, *Pass-Through Entity Income Reduced Tax Rate for Oregon Part-Year Residents*, 150-101-366, to calculate your tax.

**Nonresidents.** Enter the tax amount from Schedule OR-PTE-NR, line 14a on Form 40N, line 49 and check box 49c.

**Part-year residents.** Enter the tax amount from Schedule OR-PTE-PY, line 19a on Form 40P, line 47 and line 48. Check box 47c.

Download the form from our website or contact us to order it. You must include this form with your Oregon return or submit it at [www.oregon.gov/dor](http://www.oregon.gov/dor); click the link for Revenue Online.

The election to use the Oregon PTE reduced tax rate can only be made on an original return. **This election is irrevocable.** If you use this reduced tax rate on your original return, you must use this rate on your amended return even if it is not more beneficial.



**Interest on certain installment sales.** Did you have installment sales that required you to pay interest on the deferred tax liability for federal purposes? If so, you must also compute interest for Oregon. The amount due for Oregon is computed the same as the federal amount. The interest rate for 2015 is 0.3333 percent per month.

**Nonresidents.** Use only those installment obligations from dispositions of Oregon property while you were a nonresident of Oregon.

**Credits—Nonrefundable**

Standard credits are nonrefundable and can't be more than your Oregon tax liability. Carryforward credits have a carryforward provision that allows you to use

the remaining balance in the next year. Use credits that can't be carried forward first.

For business tax credits available to S corporation shareholders, refer to *Publication 17*<sup>1/2</sup>.

**Some Oregon credits on your return must be multiplied by your Oregon percentage. These credits are signified below with a percentage sign (%).** This means you need to multiply your total credit by your Oregon percentage, line 35, to figure the amount you can claim on your Oregon return.



**Exemption credit.**<sup>\*</sup> If your federal adjusted gross income does not exceed the threshold amount for your filing status below, multiply the total number of exemptions claimed on line 6e of Form 40N or Form 40P by \$194 and then multiply the total by your Oregon percentage from line 35. This is your exemption credit.

An exemption credit isn't allowed if your federal adjusted gross income on line 29F of Form 40P or 40N exceeds:

- \$200,000 for married filing jointly, head of household, or qualifying widow(er) filers; or
- \$100,000 for married filing separately or single filers.

**Note:** The income limitation does not apply for the severely disabled or disabled children exemptions. If you claimed the severely disabled box 6a or 6b, or the disabled children box 6d, multiply the number of exemptions claimed by \$194 and then multiply the total by your Oregon percentage from line 35. Enter the total on Form 40N, line 52 or Form 40P, line 51.



**Standard credits.** If you qualify for a standard credit, you must

include Schedule OR-ASC-N/P with your return with the numeric code and amount of the standard credit you're claiming. Enter the total from Schedule OR-ASC-N/P, section 5, on Form 40N, line 53, or Form 40P, line 52. For more information, go to our website or refer to *Publication 17*<sup>1/2</sup>.

Standard credits are listed below.

- Elderly or disabled [code 801].<sup>%</sup>
- Income taxes paid to another state (AZ, CA, IN, VA only) [code 802].
- Individual Development Account withdrawal for home purchase [code 803].
- Loss of use of limbs [code 804].
- Low-income caregiver credit [code 805].
- Mutually taxed gain on the sale of residential property [code 806].

- Oregon Cultural Trust [code 807].%
- Oregon Veterans' Home physicians [code 808].%
- Political contribution [code 809].
- Reservation enterprise zone [code 810].%
- Retirement income [code 811].
- Rural emergency medical technicians [code 812].%
- Rural health practitioners [code 813].%
- University Venture Development Fund [code 814].%



**Carryforward credits.**

If you qualify for a carryforward credit, you must include Schedule OR-ASC-N/P with your return with the numeric code and amount of the carryforward credit you're claiming. Enter the total from Schedule OR-ASC-N/P, section 6 on Form 40N, line 54, or Form 40P, line 53. For more information, go to our website or refer to *Publication 17½*.

Carryforward credits are listed below. Items with an asterisk are explained beneath the listing.

- Agriculture workforce housing [code 835].%
- Alternative fuel vehicle auction [code 865].
- Biomass production/collection [code 838].%
- Business energy [code 839].
- Child and dependent care [code 840].\*%
- Child Care Fund contributions [code 841].
- Crop donation [code 843].%
- Diesel engine replacement carryforward [code 844].%
- Electronic commerce zone investment [code 845].%
- Employer-provided dependent care assistance [code 846].%
- Employer scholarship [code 847].%
- Energy conservation project [code 849].
- Fish screening devices [code 850].%
- IDA donation [code 852].
- Oregon low-income community jobs initiative [code 855].
- Oregon Production Investment Fund [code 856].
- Pollution control facilities [code 857].
- Renewable energy development contributions [code 859].
- Renewable energy resource equipment manufacturing facility carryforward [code 860].
- Residential energy [code 861].%
- Riparian land carryforward [code 862].%
- Transportation projects [code 863].

**Child and dependent care credit [code 840].** You're allowed an Oregon credit only if you qualify for the federal child and dependent care credit. You may still be able to claim the Oregon credit even if you can't use all of your federal credit. **Note to RDPs:** Use your "as if" federal return to see if you qualify for the Oregon credit.

Use the following worksheet:

1. Enter the amount from federal Form 2441, line 6. Do **not** enter more than \$3,000 for one qualifying child or \$6,000 for two or more qualifying children. 1. \_\_\_\_\_
2. Enter the decimal amount from the following table. 2. \_\_\_\_\_

**If your federal taxable income from Form 1040, line 43; or Form 1040A, line 27 is:**

Over—	But not over—	Your decimal amount is:
—	\$5,000	0.30
5,000	10,000	0.15
10,000	15,000	0.08
15,000	25,000	0.06
25,000	35,000	0.05
35,000	45,000	0.04
45,000	—	0.00

3. Multiply the amount on line 1 by the decimal on line 2. Enter here. 3. \_\_\_\_\_
4. Multiply line 3 by the Oregon percentage from Form 40N or Form 40P, line 35. Enter the result here and on Schedule OR-ASC-N/P, section 6 using code 840. 4. \_\_\_\_\_

**Did you pay 2014 child care expenses in 2015?** If so, you may be able to use that amount to increase your 2015 Oregon child and dependent care credit. For more information, please contact us.

**Carryforward.** Your total 2015 child and dependent care credit can't be more than your 2015 Oregon tax liability. You can carry forward any excess credit over the next five years. If the excess isn't used within five years, it's lost.

**Tax payments and refundable credits**



**Oregon income tax withheld.** Fill in the total Oregon tax with-

held from your wages and other income shown on your Form(s) W-2, box 17, or on your Form(s) 1099. Don't use the FICA (Social Security) tax withheld. **Don't** use tax withheld from your wages by other states. **You must include a readable and unaltered copy** of your Form W-2 from each job and any Form(s) 1099 showing Oregon income tax withheld with your Oregon return.

If you don't have a Form W-2 or 1099, you must provide other proof of Oregon tax withheld. Proof may include a copy of a final paycheck stub or a letter from your employer.



If you file before February 1, 2016, we can accept only Form(s) W-2 or 1099 as proof.

Form 40N 57

Form 40P 56

**Amount applied from your prior year's tax refund.**

Fill in the amount of any prior year refund you applied to your 2015 estimated tax. If we adjusted your applied refund, be sure to use the adjusted amount. If you need to verify your applied payment amount, go to our website, [www.oregon.gov/dor](http://www.oregon.gov/dor), and click the link for Revenue Online or contact us.

Form 40N 58

Form 40P 57

**Estimated tax payments for 2015.**

Fill in the total estimated tax payments you made before filing your 2015 Oregon return. These payments were due April 15, 2015; June 15, 2015; September 15, 2015; and January 15, 2016. Include **all** payments you made up to the date you filed your original or amended return. Don't include the amount reported on Form 40N, line 57 or Form 40P, line 56. Go to our website, [www.oregon.gov/dor](http://www.oregon.gov/dor) and click on Revenue Online, or contact us to verify the amount of payments you made toward the 2015 tax period. Include any payments from real estate transactions.

Form 40N 59

Form 40P 58

**Tax payments from a pass-through entity.**

If you're an owner in a pass-through entity and you did not join in the filing of a composite return to report that income, enter the amount of tax payments made by the pass-through entity on your behalf.

Form 40N 60

Form 40P 59

**Oregon surplus credit (kicker).**

The Oregon surplus credit is a refundable credit claimed on your 2015 Oregon tax return. The credit is 5.6 percent of your 2014 Oregon tax liability (2014 Form 40N, line 53 or Form 40P, line 52) as adjusted or amended, reduced by any credit claimed for income taxes paid to another state (2014 Form 40N and Form 40P, line 55). The surplus credit percentage has been determined by the Oregon Department of Administrative Services in accordance with Oregon Revised Statute 291.349. In order to claim the Oregon surplus credit, you must file a 2015 return, even if you're not otherwise required to do so. You must have filed your 2014 Oregon return before you can claim a surplus credit on your 2015 Oregon return. Use the worksheet on the next page to determine the amount of your surplus credit.

**Amended returns.** If your 2014 return is amended or adjusted after you claim your 2015 surplus credit, we will automatically adjust your 2015 surplus credit

amount. You will not need to amend your 2015 return for this reason only. If your amended return reduces your 2014 tax liability, you may owe additional tax on your 2015 return if your kicker is reduced. This may cause additional interest or penalties to be charged on your 2015 return. You may review your account balance at [www.oregon.gov/dor](http://www.oregon.gov/dor); click the link for Revenue Online.

**Do you need help calculating your surplus credit?** If you're filing your 2015 return using a similar filing status as your 2014 return (joint or non-joint), you may be able to determine your credit amount by visiting our website, [www.oregon.gov/dor](http://www.oregon.gov/dor), and clicking on Revenue Online.

**Special circumstances.** If your marital filing status or spouse changed in 2015, you must complete the surplus credit worksheet using the following special instructions.

- If your filing status changed from single, head of household, qualifying widow(er), or married/RDP filing separately in 2014 to married filing jointly in 2015, the surplus credit allowed on the joint return is the combination of each individual's surplus credits as calculated based on the separate 2014 returns.

**Special instructions:** Calculate each individual's surplus credit separately using the worksheet. Add the credit amounts together for the total surplus credit.

**Example:** Emir and Olivia each filed their 2014 Oregon personal income tax returns using the single filing status. Emir had a total personal income tax liability of \$8,000 (2014 Form 40N, line 53 or Form 40P, line 52) and a credit for income taxes paid to another state of \$500 (2014 Form 40N and Form 40P, line 55). Olivia had a total personal income tax liability of \$3,000 (2014 Form 40N, line 53 or Form 40P, line 55) and no credit for income taxes paid to another state. In 2015, Emir and Olivia marry. Their surplus credit is determined with a percentage of 5.6 percent. Emir and Olivia file their 2015 Oregon personal income tax return jointly. They must calculate their surplus credit separately and report the sum on their return. Emir's surplus credit is \$420  $[(\$8,000 - \$500) \times 0.056]$  and Olivia's surplus credit is \$168  $(\$3,000 \times 0.056)$ . The surplus credit for their 2015 joint Oregon personal income tax return is \$588.

- If your filing status changed from married filing jointly in 2014 to single, head of household, or married filing separately in 2015, the surplus credits claimed by each taxpayer on their 2015 separate returns are prorated based on each individual's percentage of the 2014 federal adjusted gross income (AGI).

**Special instructions:** Determine your percentage of the 2014 AGI (Form 40N and Form 40P, line 30) by

taking your income included in the AGI and dividing it by the total AGI. Enter this percentage as a decimal (for example, 50 percent is 0.5) on line 4 of the worksheet.

**Example:** Ella and Eduardo are married and filed their 2014 Oregon personal income tax return using the married filing jointly filing status. Their total AGI is \$90,000 (2014 Form 40N and Form 40P, line 30). Their total personal income tax liability is \$6,500 (2014 Form 40N, line 53 or Form 40P, line 52) and their credit for income taxes paid to another state is \$300 (2014 Form 40N and Form 40P, line 55). Ella's portion of the total AGI is \$40,000, or 44 percent ( $\$40,000 \div \$90,000$ ). Eduardo's portion of the total AGI is \$50,000, or 56 percent ( $\$50,000 \div \$90,000$ ). In 2015, Ella and Eduardo divorced and neither remarried during the year. Their surplus credit is determined with a percentage of 5.6 percent. When Ella and Eduardo file their separate 2015 Oregon personal income tax returns, they will calculate separate surplus credits based on their 2014 AGI percentages. Ella's surplus credit is \$153 [ $(\$6,500 - \$300) \times 0.44 \times 0.056$ ]. Eduardo's surplus credit is \$191 [ $(\$6,500 - \$300) \times 0.55 \times 0.056$ ].

- **If you filed married filing jointly in 2014 and filed married filing jointly in 2015, but with a different spouse,** the surplus credit allowed on the joint return with a new spouse is the combination of each individual's surplus credit prorated based on each taxpayer's portion of the 2014 AGI amounts.

**Special instructions:** To determine the correct surplus credit amount for the 2015 joint Oregon return, calculate each individual's surplus credit separately. Determine your percentage of the 2014 AGI (2014 Form 40N and Form 40P, line 30) by following the instructions in the example above. Enter your AGI percentage as a decimal on line 4 of the worksheet. Once the credits for both taxpayers have been calculated, add the amounts together.

**Example:** Cortney and Orlando were married in 2014 and filed their Oregon personal income tax return using the married filing jointly filing status. Their total AGI is \$80,000 (2014 Form 40N and Form 40P, line 30). Their total personal income tax liability is \$7,500 (2014 Form 40N, line 53 or Form 40P, line 52). They do not have a credit for taxes paid to another state. Cortney's portion of the total AGI is \$48,000, or 60 percent ( $\$48,000 \div \$80,000$ ). Orlando's portion of the total AGI is \$32,000, or 40 percent ( $\$32,000 \div \$80,000$ ). In February of 2015, Cortney and Orlando finalized their divorce. Cortney married Justin in December of 2015. Justin filed his 2014 Oregon personal income tax return using the single filing status. His total personal income tax liability was \$2,000 (2014 Form 40N, line 53 or Form 40P, line 52) and his credit for taxes paid to another state is \$200. Their

surplus credit is determine with a percentage of 5.6 percent. When Cortney and Justin file their joint 2015 Oregon personal income tax return, they must each calculate their surplus credits separately and report the sum on their joint return. Cortney's surplus credit is \$252 ( $\$7,500 \times 0.60 \times 0.056$ ). Justin's surplus credit is \$101 [ $(\$2,000 - \$200) \times 0.056$ ]. They will then add their separate credits together for a total joint 2015 surplus credit of \$353. Orlando's surplus credit is \$168 ( $\$7,500 \times 0.40 \times 0.056$ ).

- **Death of individual or spouse.** If an individual died during 2014 or 2015, the taxpayer's representative may file a return on his or her behalf to claim the surplus credit. If one of the two taxpayers on the 2014 jointly filed Oregon return dies, the surviving taxpayer may claim the full amount of the surplus credit.

### Surplus credit worksheet

1. Tax before credits reported on your 2014 Oregon Form 40N, line 53; Form 40P, line 52; or Form 40, line 31. 1. \_\_\_\_\_
2. Credit for income taxes paid to another state reported on your 2014 Oregon Form 40N, line 55; Form 40P, line 55; or Form 40, line 38. 2. \_\_\_\_\_
3. Total 2014 tax before credits and after income taxes paid to another state (subtract line 2 from line 1). If line 2 is more than line 1, enter -0-. 3. \_\_\_\_\_
4. Percentage of federal AGI (decimal value). Enter *your* portion of the AGI claimed on your 2014 return as a decimal. For example, 55 percent is 0.55. AGI can be found on your 2014 Oregon Form 40N and Form 40P, line 30; or Form 40, line 8. 4. \_\_\_\_\_

*If you did not file married filing jointly in 2014 and changed to another filing status other than qualifying widow(er) in 2015, enter 1 (for 100 percent).*

*If you filed married filing jointly in 2014 and changed to another filing status other than qualifying widow(er) or you are filing jointly in 2015 with a different person than in 2014, follow the examples above to determine your percentage of 2014 AGI.*

5. Your total tax before credits and after income taxes paid to another state (multiply line 3 by line 4). Round to the nearest dollar. For example, \$101.49 is rounded to \$101. 5. \_\_\_\_\_

6. Oregon surplus credit percentage (decimal value). The 2015 Oregon surplus credit percentage is 5.6 percent. This amount has been filled in for you. 6. 0.056
7. Surplus credit amount. Multiply line 5 by line 6. Round to the nearest dollar. This is your surplus credit amount. 7. \_\_\_\_\_

**Claiming your surplus credit.** If you would like to claim your surplus credit, enter this amount on your 2015 Oregon Form 40N, line 60 or Form 40P, line 59. Enter -0- on Form 40N, line 76a or Form 40P, line 75a and do not mark the box on Form 40N, line 76 or Form 40P, line 75.

**Donating your surplus credit.** You can elect to donate your surplus credit to the Oregon State School Fund. The fund is used for public elementary and secondary education.

If you would like to donate your entire surplus credit to the Oregon State School Fund, enter -0- on your 2015 Oregon Form 40N, line 60 or Form 40P, line 59. Check the box on Form 40N, line 76 or Form 40P, line 75 and enter the surplus credit amount (from line 7 above) on Form 40N, line 76a or Form 40P, line 75a. Your refund will first offset to any amount owing on your original 2015 Oregon return and any other past due liabilities prior to being donated to the Oregon State School Fund. **Note:** This election is irrevocable.

If you would like to donate a portion of your refund to the Oregon State School Fund, follow the steps to claim your surplus refund above. You can then either send a check to the school district of your choice or to the Oregon State School Fund, which will be distributed to all school districts. The Oregon State School Fund's address is:

Oregon Department of Education  
Attn: OFA Cashier  
255 Capitol St NE  
Salem OR 97301



**Total refundable credits from Schedule OR-ASC-N/P.** If you qualify

for a refundable credit, you must include Schedule OR-ASC-N/P with your return with the numeric code and amount of the refundable credit you're claiming. Enter the total from Schedule OR-ASC-N/P, section 7, on Form 40N, line 61, or Form 40P, line 60. For more information go to our website, refer to *Publication 17½*, or contact us.

Refundable credits are listed below. Items with an asterisk are explained beneath the listing.

- Claim of right [code 890].\*
- Earned income [code 894].\*\*
- Mobile home park closure [code 891].
- Wolf depredation [code 892].\*
- Working family child care [code 893].\*\*

**Earned income credit [code 894].\*** You're allowed an Oregon earned income credit only if you qualify for the earned income credit on your federal return ("as if" returns for RDPs). You must prorate this credit. Your Oregon credit is 8 percent of your federal credit multiplied by your Oregon percentage. For example, if your federal credit is \$2,500, your Oregon credit is \$200 (\$2,500 x 0.08) multiplied by your Oregon percentage from Form 40N or Form 40P, line 39.

Use the following formula to compute your credit:

1. Enter your federal earned income credit from Form 1040, line 66a; Form 1040A, line 42a; or Form 1040EZ, line 8a. 1. \_\_\_\_\_
2. Multiply the amount on line 1 by 8 percent (0.08). Enter the result here. 2. \_\_\_\_\_
3. Multiply line 2 by the Oregon percentage (Form 40N or Form 40P, line 35). Enter the result here and on Schedule OR-ASC-N/P using code 894. 3. \_\_\_\_\_

**Working family child care credit [code 893].\*** This credit is available to low-income working families with qualifying child care expenses. To see if you qualify, refer to the Schedule WFC-N/P instructions located on our website.

**Penalties and interest**



**Penalty and interest for filing or paying late.**

Your tax is due **April 18,**

**2016.** Your return is also due April 18, 2016, unless you received an extension.

**Penalty.** Include a penalty payment if you:

- Mail your tax payment after April 18 (even if you have an extension to file), or
- File your return showing tax to pay after the due date or extension due date.

The late-payment penalty is 5 percent of the unpaid balance of your tax.

If you file more than three months after the due date or extension due date, a 20 percent late-filing penalty will be added; that is, you will owe a total penalty of 25 percent of any unpaid tax.

**Interest.** If you're paying your tax after April 18, 2016, include interest on any unpaid tax.

An interest period is each full month starting with the day after the due date. For example, April 16 through May 15 is a full month interest period. The 2015 interest rate is 4 percent per year (0.3333 percent per month).

Interest is figured daily for periods of less than a month. Here's how to figure daily interest:

$$\text{Tax} \times 0.000110 \times \text{number of days}$$

If the tax isn't paid within 60 days of our bill, the interest rate increases to 8 percent per year.

**Note:** Don't calculate interest if you file late and expect a refund.



### Interest on underpayment of estimated tax.

For 2015, you'll have an underpayment if you paid less than 90 percent of the tax due on **each** estimated tax payment due date or if tax owed is more than \$1,000. **Note:** You may be charged interest on underpayment of estimated tax even if you receive a refund on your return.

Use Form 10, *Underpayment of Oregon Estimated Tax*, 150-101-031, to determine if you have an underpayment. Download the form from our website or contact us to order it.

If you have an underpayment, fill in the amount of interest due from Form 10, line 34 on Form 40N, line 66 or Form 40P, line 65. You must include Form 10 with your Oregon return.

If you meet an exception, enter the exception number on Form 40N, box 66a or Form 40P, box 65a, and don't include Form 10. If you used the *Annualized Income Worksheet*, check Form 40N, box 66b or Form 40P, box 65b and keep the worksheet for your records.

## Amount due



**Amount you owe.** You may pay with a check, money order, electronic

payment, or credit card. If you file electronically, you may be able to pay electronically at the time of filing. If the amount due is less than \$2, no payment is required.

**Special instructions.** Do you owe interest on Form 40N, line 67 or Form 40P, line 66 and have an overpayment on Form 40N, line 63 or Form 40P, line 62? If the interest you owe is more than your overpayment, you have an amount due. Subtract Form 40N, line 63 or Form 40P, line 62 from Form 40N, line 67 or Form 40P, line 66 and

enter the result on Form 40N, line 68 or Form 40P, line 67.

## Payment options

### Electronic payment from your checking or savings account

You can pay your current year income taxes, 2016 estimated income taxes, any prior year tax due, and amended return taxes directly from your checking or savings account. There is no fee to use this service. This option is available through our website. Direct debit may be available with e-filed returns at the time of filing.

### Credit or debit card payments

You can also pay with your American Express, Discover, MasterCard, or Visa credit card. The provider **will charge** you a convenience fee. The service provider will tell you what the fee is during the transaction; you will have the option to continue or cancel the transaction before entering your credit card information. If you complete the credit card transaction, you will receive a confirmation number. **Keep this confirmation number as proof of payment—do not send with your return.**

To pay by credit card, go to Revenue Online at [www.oregon.gov/dor](http://www.oregon.gov/dor), or call Value Payment Systems, Inc. toll free at 1 (888) 972-9673. For additional information on credit card payments, go to our website or contact us.

**Don't use Form 40-V if using an electronic payment option.** Use this voucher only if paying by check or money order.

### Check or money order

- Make your check or money order payable to "**Oregon Department of Revenue.**"
- Write your daytime telephone number and "2015 Oregon Form 40N" or "2015 Oregon Form 40P" on your check.
- Use blue or black ballpoint ink. Don't use gel ink or the colors red or purple.
- Do not send cash or a postdated check.
- Include your payment and the Form 40-V payment voucher on page 41.

**Payment plan.** If you can't pay in full now, pay what you can. Use the payment voucher, Form 40-V, on page 41. Contact us and we will work with you to set up a payment plan for the amount you don't pay with your return.

**To finish your return, go to the signature block section.**



## Refund

Form 40N 69

Form 40P 68

**Refund.** You have three years from the due date of the return to file a claim for your refund. By law, we can't issue a refund if you file your return more than three years after the return's due date.

If you're due interest of more than \$1 on a refund, the interest will be refunded to you.

### Refund applications

If you have a refund on Form 40N, line 69 or Form 40P, line 68 you may apply part or all of it to an open estimated tax account, a charitable checkoff, or an Oregon 529 College Savings Plan. Doing so will reduce your net refund. The combination of these refund applications **can't** equal more than your total refund on Form 40N, line 69 or Form 40P, line 68.

Your refund may apply to outstanding debt prior to being refunded to you or applied to the elections on Form 40N, lines 70–72 or Form 40P, lines 69–71.

**Instructions for amended returns.** Complete the amended worksheet on page 9. If line 7 results in an additional refund, you are able to apply the additional amount to an open estimated tax account, charitable checkoff, or Oregon 529 College Savings Plan. However, you **can't** reduce the refund from your original return that was previously applied.

- If you are not receiving an additional refund or if you are receiving an additional refund, but you do not want to apply the refund to the items listed on Form 40N, lines 70–72 or Form 40P, lines 69–71, skip to Form 40N, line 74 or Form 40P, line 73. Enter the amount from Form 40N, line 69 or Form 40P, line 68 onto Form 40N, line 74 or Form 40P, line 73.
- If you are receiving an additional refund you want applied toward an item listed on Form 40N, lines 70–72 or Form 40P, lines 69–71, follow the below instructions. The combinations of these refund applications, Form 40N, line 73 or Form 40P, line 72 can't be more than line 7 of your amended worksheet.

Form 40N 70

Form 40P 69

**Open estimated tax account.** You may apply part or all of your refund to an open estimated tax account. Generally, unless you're filing a delinquent or amended return, this will apply to the 2016 tax year. See *Publication 17½* for additional information. Fill in Form 40N, line 70 or Form 40P, line 69 with the amount you want to apply as an estimated tax payment.

Form 40N 71

Form 40P 70

### Charitable checkoff.

You can donate part or all of your refund to

the charities listed on Schedule OR-D, *Oregon Charitable Checkoff Donations*, 150-101-058. If you choose to donate to these charities, enter the amount you wish to donate to each charity in that charity's corresponding column. Total your charitable contributions on line 30 of Schedule OR-D. Transfer this amount onto Form 40N, line 71 or Form 40P, line 70.

You can also mail your donations directly to the charity's address listed on our website. Don't mail your donations to us.

Form 40N 72

Form 40P 71

### Oregon 529 College Savings Plan.

You can deposit all or a portion

of your refund into an Oregon 529 College Savings Plan account. To make this choice, there must be an open account and deposits must be a minimum of \$25 per account. For more information, see Schedule OR-529, *Oregon 529 College Savings Plan Direct Deposit for Personal Income Tax Filers*.

Form 40N 74

Form 40P 73

### Net refund.

You must reduce your refund by any amounts applied

to your open estimated tax account, charitable checkoff donations, and Oregon 529 College Savings Plan deposits. **By law, we cannot issue a refund or make applications if you file your return more than three years after the return's due date.**

## Direct deposit

Form 40N 75

Form 40P 74

Follow these instructions if you want us to deposit your refund

directly into your bank account instead of mailing you a check:

1. **Contact your bank** to make sure your deposit will be accepted and to get your correct routing and account numbers.
2. **Check yes only** if your refund will go to an account outside the United States. **Note:** If you check yes, you will be issued a paper check.
3. **Check the appropriate box**, either checking or savings, but not both.
4. **Enter your nine-digit routing number.** The routing number must begin with 01 through 12, 21 through 32, or 61 through 72.
5. **Enter the account number** into which you want your refund deposited. The account number can be up to 17 characters (both numbers and letters). Don't include hyphens, spaces, or special symbols. Enter

the number left to right and leave any unused boxes blank.

6. **Double-check** the account and routing numbers. These numbers can't be changed after the return is filed.

## Oregon surplus credit donation

Form  
40N 76

Form  
40P 75

**Oregon surplus credit (kicker) donation.** You can elect to donate your

Oregon surplus credit to the Oregon State School fund. To donate your surplus credit, see page 25 for more information.

## Signature block

**Signature(s).** Be sure to sign and date your return. If you're filing a joint return, both taxpayers must sign. By signing the return, you acknowledge, under penalty of false swearing, that the information in the return is true, correct, and complete.

**Minor child's return.** If your child must file a tax return, you may sign the child's name as his or her legal agent. Sign the child's name, then write "By [your signature], parent (or other legal guardian) of minor child."

**Preparer signature.** Anyone who prepares, advises, or assists in preparing personal income tax returns in exchange for compensation of any kind **must** be licensed and must sign the return. Contact the following agencies to check the status of your Oregon tax practitioner:

- State Board of Tax Practitioners at (503) 378-4034 (Salem) for licensed tax consultants or preparers, or go to [www.oregon.gov/obtp](http://www.oregon.gov/obtp).
- State Board of Accountancy at (503) 378-4181 (Salem) for public accountants and certified public accountants, or go to [www.oregon.gov/boa](http://www.oregon.gov/boa).

**Preparer license number.** Licensed tax consultants and tax preparers: enter your license number. CPAs: enter your certificate number. Tax-Aide volunteers: enter your TCE site number. All others: leave blank. Do **not** enter your driver's license number.

## Before you file

To speed processing, put your Oregon return together as follows (**Important! Do not attach these documents together or use staples, paperclips, or tape to assemble your return.**):

1. Start with pages 1–3 of Form 40N or Form 40P. Include page 4 only if you are amending your return.

2. If applicable, place these items in the following order behind your Form 40N or Form 40P:

- Form(s) W-2 and any Form(s) 1099 showing Oregon tax withheld.
- Schedule OR-ASC-N/P.
- Schedule OR-D.
- Schedule OR-529.

3. Copy (front and back) of your federal Form 1040, 1040A, 1040EZ, 1040NR, or 1040NR-EZ. If you're filing using an "as-if" federal return, include the "as-if" return. Write "as if" in blue or black ink on the top left corner of your "as if" return. Also include copies of the federal returns you and your spouse actually filed.

4. If applicable, place these items in the following order behind the federal form:

- Schedule WFC-N/P.
- Oregon Form 10.
- Oregon Form 24.
- Your RDP's Oregon return, if you're filing separately. Don't staple the returns together.

5. If you're amending your return, include a copy of your federal or other state's original and corrected return or audit report.

6. Include your check or money order and completed Form 40-V payment voucher (page 41). If paying by electronic payment or credit card, don't use Form 40-V.

Be sure all four pages of your return are from the same form. **Example:** If you file Form 40N, be sure that "2015 Form 40N" is printed at the top each page.

**Do not include** extension requests, or any federal schedules with your Oregon return. Keep these with your records. We receive some federal information from the IRS. We may ask you for copies of schedules or additional information later.

## To avoid processing delays, remember

**Type or clearly print** your name, SSN, date of birth, complete mailing address, and daytime telephone number on your return.

**Include all pages of your Oregon return**—pages 1–3 for original returns, and pages 1–4 for amended returns.

**Double-check your math calculations and other figures**, including your SSN. The most common mistakes are math errors and the amount claimed for the federal tax subtraction. Double-check the tax you figured. Errors will delay processing.

**If you have tax to pay**, read Form 40N, line 68 or Form 40P, line 67 instructions on page 28.

**Verify your bank account information** if you're requesting direct deposit.

**Sign your return** (both spouses must sign a joint return).

**Include readable copies** of Form(s) W-2 and 1099 showing Oregon income and tax withheld with your return.

**Include a copy** of your federal return (front and back only) with your Oregon return. Do **not** include federal schedules.

**Include Form 40-V, the payment voucher**, with your check or money order with your return. If you're paying by credit card or electronic payment, do **not** use Form 40-V.

**Mail your return in a stamped envelope.** Use a business envelope (4 × 9½ inches) or larger and use enough postage. Don't use a smaller envelope—it delays processing.

## Tax return mailing addresses

**Mail refund returns or no-tax-due returns to:**

REFUND  
PO Box 14700  
Salem OR 97309-0930

**Mail tax-to-pay returns to:**

Oregon Department of Revenue  
PO Box 14555  
Salem OR 97309-0940





**2015 Form 40N**  
**Oregon**  
**Individual Income Tax Return**  
**for Nonresidents**



Tax year ending: ●

For office use only	
F	

- Amended return. If amending for an NOL, tax year the NOL was generated: ●
- Calculated using "as if" federal return. ●  Bankruptcy. ●  Military.
- Extension filed. ●  Form 24. ●  Employment Exception.

First name and initial	Last name <input type="checkbox"/> Deceased	Social Security number (SSN) <input type="checkbox"/> Applied for	Date of birth (mm/dd/yyyy)
Spouse's first name and initial	Spouse's last name <input type="checkbox"/> Deceased	Spouse's SSN <input type="checkbox"/> Applied for	Spouse's date of birth (mm/dd/yyyy)

Current mailing address

City	State	ZIP code
Country	Phone	

● **Filing status** (check only **one** box)

1  Single.

2  Married filing jointly.

3  Married filing separately (enter spouse's information above).

4  Head of household (with qualifying person).

5  Qualifying widow(er) with dependent child.

● **Exemptions**

6a Credits for yourself: <input type="checkbox"/> Regular; <input type="checkbox"/> Severely disabled .....	6a	Total <input type="text"/>
<input type="checkbox"/> Check box if someone else can claim you as a dependent.		
6b Credits for spouse: <input type="checkbox"/> Regular; <input type="checkbox"/> Severely disabled .....	6b	<input type="text"/>
<input type="checkbox"/> Check box if someone else can claim your spouse as a dependent.		

● **Dependents.** List your dependents.

● First name	● Last name	● Dependent's relationship code	● Dependent's SSN	● Dependent's date of birth (mm/dd/yyyy)	● Check if child with qualifying disability
					<input type="checkbox"/>
					<input type="checkbox"/>
					<input type="checkbox"/>
					<input type="checkbox"/>
					<input type="checkbox"/>
					<input type="checkbox"/>
					<input type="checkbox"/>
					<input type="checkbox"/>
					<input type="checkbox"/>

6c Total number of dependents .....	6c	<input type="text"/>
6d Total number of dependent children with qualifying disability (see instructions).....	6d	<input type="text"/>
6e Total exemptions. Add 6a through 6d.....	Total	6e <input type="text"/>

**Don't forget!**

Include a copy of your federal Form 1040, 1040A, 1040EZ, 1040NR, or 1040NR-EZ or we may adjust your return.

# 2015 Form 40N



Name	SSN
------	-----

Federal column (F)

Oregon column (S)

Income		Federal column (F)		Oregon column (S)	
7	Wages, salaries, and other pay for work. <b>Include all Forms W-2</b> .....	7F	.00	● 7S	.00
8	Taxable interest income from federal Form 1040, line 8a .....	8F	.00	● 8S	.00
9	Dividend income from federal Form 1040, line 9a .....	9F	.00	● 9S	.00
10	State and local income tax refunds from federal Form 1040, line 10.....	10F	.00	● 10S	.00
11	Alimony received from federal Form 1040, line 11 .....	11F	.00	● 11S	.00
12	Business income or loss from federal Form 1040, line 12 .....	12F	.00	● 12S	.00
13	Capital gain or loss from federal Form 1040, line 13 .....	13F	.00	● 13S	.00
14	Other gains or losses from federal Form 1040, line 14 .....	14F	.00	● 14S	.00
15	IRA distributions from federal Form 1040, line 15b.....	15F	.00	● 15S	.00
16	Pension and annuities from federal Form 1040, line 16b.....	16F	.00	● 16S	.00
17	Schedule E income from federal Form 1040, line 17 .....	17F	.00	● 17S	.00
18	Farm income or loss from federal Form 1040, line 18 .....	18F	.00	● 18S	.00
19	Unemployment and other income from federal Form 1040, lines 19 through 21.....	19F	.00	● 19S	.00
20	Total income. Add lines 7 through 19.....	● 20F	.00	● 20S	.00

Adjustments		Federal column (F)		Oregon column (S)	
21	IRA or SEP and SIMPLE contributions, federal Form 1040, lines 28 and 32 .....	● 21F	.00	● 21S	.00
22	Education deductions from federal Form 1040, lines 23, 33, and 34 .....	● 22F	.00	● 22S	.00
23	Moving expenses from federal Form 1040, line 26 .....	● 23F	.00	● 23S	.00
24	Deduction for self-employment tax from federal Form 1040, line 27.....	● 24F	.00	● 24S	.00
25	Self-employed health insurance deduction from federal Form 1040, line 29.....	● 25F	.00	● 25S	.00
26	Alimony paid from federal Form 1040, line 31a .....	● 26F	.00	● 26S	.00
27	Total adjustments from Schedule OR-ASC-N/P, section 1 ..	● 27F	.00	● 27S	.00
28	Total adjustments. Add lines 21 through 27.....	● 28F	.00	● 28S	.00
29	Income after adjustments. Line 20 minus line 28.....	● 29F	.00	● 29S	.00

Additions		Federal column (F)		Oregon column (S)	
30	Total additions from Schedule OR-ASC-N/P, section 2 .....	● 30F	.00	● 30S	.00
31	Income after additions. Add lines 29 and 30.....	● 31F	.00	● 31S	.00

Subtractions		Federal column (F)		Oregon column (S)	
32	Social Security and tier 1 Railroad Retirement Board benefits included on line 19F .....	● 32F	.00		
33	Other subtractions from Schedule OR-ASC-N/P, section 3. ●	33F	.00	● 33S	.00
34	Income after subtractions. Line 31 minus lines 32 and 33... ●	34F	.00	● 34S	.00
35	<b>Oregon percentage.</b> Line 34S ÷ line 34F (not more than 100.0%)..... ● 35		____.____%		

Deductions and modifications		Federal column (F)		Oregon column (S)	
36	Amount from line 34S.....			● 36	.00
37	Itemized deductions from federal Schedule A, line 29.....			● 37	.00
38	State income tax claimed as itemized deduction .....			● 38	.00
39	Net Oregon itemized deductions. Line 37 minus line 38.....			● 39	.00
40	Standard deduction.....			● 40	.00
40a	You were: ● <input type="checkbox"/> 65 or older; ● <input type="checkbox"/> Blind. Your spouse was: ● <input type="checkbox"/> 65 or older; ● <input type="checkbox"/> Blind.				
41	Enter the larger of line 39 or line 40 .....			● 41	.00
42	2015 federal tax liability ( <b>\$0-\$6,450; see instructions</b> for the correct amount) .....			● 42	.00
43	Total modifications from Schedule OR-ASC-N/P, section 4.....			● 43	.00
44	Modifications multiplied by the Oregon percentage .....			● 44	.00
45	Charitable art donation.....			● 45	.00
46	Total deductions and modifications. Add lines 44 and 45 .....			● 46	.00
47	Taxable income. Line 36 minus line 46. If line 46 is more than line 36, enter -0-.....			● 47	.00

# 2015 Form 40N

Name	SSN
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	48 Taxable income from line 47.....	48		.00
<b>Oregon tax</b>	49 <b>Tax.</b> See instructions. Enter tax on line 49. Check if tax is from:..... ● 49			.00
	● 49a <input type="checkbox"/> Form FIA-40N; ● 49b <input type="checkbox"/> Worksheet FCG; ● 49c <input type="checkbox"/> Schedule OR-PTE-NR.			
	50 Interest on certain installment sales..... ● 50			.00
	51 Total tax before credits. Add lines 49 and 50..... ● 51			.00
<b>Nonrefundable credits</b>	52 <b>Exemption credit.</b> See instructions ..... ● 52			.00
	53 Total standard credits from Schedule OR-ASC-N/P, section 5..... ● 53			.00
	54 Total carryforward credits from Schedule OR-ASC-N/P, section 6..... ● 54			.00
	55 Line 51 minus lines 52, 53, and 54. If less than zero, enter -0- ..... ● 55			.00
<b>Payments and refundable credits</b>	56 Oregon income tax withheld from income. <b>Include Forms W-2 and 1099</b> ..... ● 56			.00
	57 Amount applied from your prior year's tax refund..... ● 57			.00
	58 Estimated tax payments for 2015. Include all payments made prior to the filing date of this return, including real estate transactions. Do not include the amount already reported on line 57 ... ● 58			.00
	59 Tax payments from a pass-through entity..... ● 59			.00
	60 Oregon surplus credit (kicker). Enter your kicker amount; see instructions. <b>If you elect to donate your kicker to the State School Fund, enter -0- and see line 76.</b> ..... ● 60			.00
	61 Total refundable credits from Schedule OR-ASC-N/P, section 7 ..... ● 61			.00
	62 Total payments and refundable credits. Add lines 56 through 61 ..... ● 62			.00
		63 <b>Overpayment of tax.</b> If line 55 is <b>less</b> than line 62, you overpaid. Line 62 minus line 55 ..... ● 63		
<b>Tax to pay or refund</b>	64 <b>Net tax.</b> If line 55 is <b>more</b> than line 62, you have tax to pay. Line 55 minus line 62 ..... ● 64			.00
	65 Penalty and interest for filing or paying late. See instructions ..... 65			.00
	66 Interest on underpayment of estimated tax. <b>Include Form 10</b> ..... ● 66			.00
	Exception number from Form 10, line 1: ● 66a <input type="checkbox"/> . Check box if you annualized: ● 66b <input type="checkbox"/> .			
	67 <b>Total penalty and interest due.</b> Add lines 65 and 66..... 67			.00
	68 <b>Net tax with penalty and interest.</b> Line 64 plus line 67. .... <b>This is the amount you owe</b> ● 68			.00
	69 <b>Overpayment less penalty and interest.</b> Is line 63 more than line 67? If so, line 63 minus line 67. .... <b>This is your refund</b> ● 69			.00
	70 <b>Estimated tax.</b> Fill in the part of line 69 you want applied to your estimated tax ..... ● 70			.00
	71 Total charitable checkoff donations from Schedule OR-D, line 30 ..... ● 71			.00
	72 Total Oregon 529 College Savings Plan deposits. See instructions ..... ● 72			.00
73 Total. Add lines 70 through 72. Total can't be more than your refund on line 69..... ● 73			.00	
74 Line 69 minus line 73. This is your net refund..... <b>Net refund</b> ● 74			.00	

**Direct deposit** 75 For direct deposit of your refund, see instructions. Will this refund go to an account outside the United States? ●  Yes

● **Type of account:**  Checking; or  Savings.

● **Routing number:**

● **Account number:**

76 Oregon surplus credit (kicker) donation. If you elect to donate your kicker to the State School Fund, check the box ●  and write the amount from line 7 of the Kicker Calculation Worksheet here: ● 76a \_\_\_\_\_

**This election is irrevocable.**

# 2015 Form 40N

Name

SSN



00541501040000

**Sign here**—Under penalty of false swearing, I declare that the information in this return is true, correct, and complete.

Your signature <b>X</b>	Date		
Spouse's signature (if filing jointly, both <b>must</b> sign) <b>X</b>	Date		
Signature of preparer other than taxpayer <b>X</b>	<input checked="" type="checkbox"/> Preparer license no.	Preparer phone	
Preparer address	City	State	ZIP code

If you owe, make your check or money order payable to the **Oregon Department of Revenue**. Write your daytime phone number and **"2015 Oregon Form 40N"** on your check or money order. Include your payment, along with the payment voucher, with this return.

- Mail **tax-due** returns to: **Oregon Department of Revenue, PO Box 14555, Salem OR 97309-0940.**
- Mail **refund** and **no-tax-due** returns to: **Refund, PO Box 14700, Salem OR 97309-0930.**

**Important:** Include a copy of your federal Form 1040, 1040A, 1040EZ, 1040NR, or 1040NR-EZ.

## Amended Statement

Explanation of adjustments

If this is an amended return, complete this statement with an explanation of what you are amending. Indicate the return line numbers and the reason for each change. If your filing status has changed, explain why.

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**2015 Form 40P  
Oregon  
Individual Income Tax Return  
for Part-year Residents**



Tax year ending: ●  Oregon resident (mm/dd/yyyy)  
**From:**  **To:**

For office use only

**F**

- Amended return. If amending for an NOL, tax year the NOL was generated: ●
- Calculated using "as if" federal return. ●  Bankruptcy. ●  Military.
- Extension filed. ●  Form 24. ●  Employment Exception.

First name and initial	Last name <input type="checkbox"/> Deceased	Social Security number (SSN) <input type="checkbox"/> Applied for	Date of birth (mm/dd/yyyy)
Spouse's first name and initial	Spouse's last name <input type="checkbox"/> Deceased	Spouse's SSN <input type="checkbox"/> Applied for	Spouse's date of birth (mm/dd/yyyy)

Current mailing address

City	State	ZIP code
Country	Phone	

● **Filing status** (check only **one** box)

1  Single.

2  Married filing jointly.

3  Married filing separately (enter spouse's information above).

4  Head of household (with qualifying person).

5  Qualifying widow(er) with dependent child.

● **Exemptions**

6a Credits for yourself: <input type="checkbox"/> Regular; <input type="checkbox"/> Severely disabled .....	Total 6a <input type="text"/>
<input type="checkbox"/> Check box if someone else can claim you as a dependent.	
6b Credits for spouse: <input type="checkbox"/> Regular; <input type="checkbox"/> Severely disabled .....	6b <input type="text"/>
<input type="checkbox"/> Check box if someone else can claim your spouse as a dependent.	

● **Dependents.** List your dependents.

● First name	● Last name	● Dependent's relationship code	● Dependent's SSN	● Dependent's date of birth (mm/dd/yyyy)	● Check if child with qualifying disability
					<input type="checkbox"/>
					<input type="checkbox"/>
					<input type="checkbox"/>
					<input type="checkbox"/>
					<input type="checkbox"/>
					<input type="checkbox"/>
					<input type="checkbox"/>
					<input type="checkbox"/>

6c Total number of dependents .....	● 6c <input type="text"/>
6d Total number of dependent children with qualifying disability (see instructions).....	● 6d <input type="text"/>
6e Total exemptions. Add 6a through 6d.....	Total ● 6e <input type="text"/>

**Don't forget!**

Include a copy of your federal Form 1040, 1040A, 1040EZ, 1040NR, or 1040NR-EZ or we may adjust your return.

# 2015 Form 40P



Name	SSN
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### Federal column (F)

### Oregon column (S)

<b>Income</b>	7 Wages, salaries, and other pay for work. <b>Include all Forms W-2</b> ..... 7F	.00	● 7S	.00		
	8 Taxable interest income from federal Form 1040, line 8a ..... 8F	.00	● 8S	.00		
	9 Dividend income from federal Form 1040, line 9a ..... 9F	.00	● 9S	.00		
	10 State and local income tax refunds from federal Form 1040, line 10..... 10F	.00	● 10S	.00		
	11 Alimony received from federal Form 1040, line 11 ..... 11F	.00	● 11S	.00		
	12 Business income or loss from federal Form 1040, line 12 ..... 12F	.00	● 12S	.00		
	13 Capital gain or loss from federal Form 1040, line 13 ..... 13F	.00	● 13S	.00		
	14 Other gains or losses from federal Form 1040, line 14 ..... 14F	.00	● 14S	.00		
	15 IRA distributions from federal Form 1040, line 15b..... 15F	.00	● 15S	.00		
	16 Pension and annuities from federal Form 1040, line 16b..... 16F	.00	● 16S	.00		
	17 Schedule E income from federal Form 1040, line 17 ..... 17F	.00	● 17S	.00		
	18 Farm income or loss from federal Form 1040, line 18 ..... 18F	.00	● 18S	.00		
	19 Unemployment and other income from federal Form 1040, lines 19 through 21..... 19F	.00	● 19S	.00		
	20 Total income. Add lines 7 through 19..... ● 20F	.00	● 20S	.00		
	<b>Adjustments</b>	21 IRA or SEP and SIMPLE contributions, federal Form 1040, lines 28 and 32 ..... ● 21F	.00	● 21S	.00	
		22 Education deductions from federal Form 1040, line 23, 33, and 34 ..... ● 22F	.00	● 22S	.00	
		23 Moving expenses from federal Form 1040, line 26 ..... ● 23F	.00	● 23S	.00	
		24 Deduction for self-employment tax from federal Form 1040, line 27..... ● 24F	.00	● 24S	.00	
		25 Self-employed health insurance deduction from federal Form 1040, line 29..... ● 25F	.00	● 25S	.00	
		26 Alimony paid from federal Form 1040, line 31a ..... ● 26F	.00	● 26S	.00	
27 Total adjustments from Schedule OR-ASC-N/P, section 1 .. ● 27F		.00	● 27S	.00		
28 Total adjustments. Add lines 21 through 27..... ● 28F		.00	● 28S	.00		
29 Income after adjustments. Line 20 minus line 28..... ● 29F		.00	● 29S	.00		
<b>Additions</b>	30 Total additions from Schedule OR-ASC-N/P, section 2 ..... ● 30F	.00	● 30S	.00		
	31 Income after additions. Add lines 29 and 30..... ● 31F	.00	● 31S	.00		
<b>Subtractions</b>	32 Social Security and tier 1 Railroad Retirement Board benefits included on line 19F ..... ● 32F	.00				
	33 Other subtractions from Schedule OR-ASC-N/P, section 3. ● 33F	.00	● 33S	.00		
	34 Income after subtractions. Line 31 minus lines 32 and 33... ● 34F	.00	● 34S	.00		
	35 <b>Oregon percentage.</b> Line 34S ÷ line 34F (not more than 100.0%) ..... ● 35	_____ %				
<b>Deductions and modifications</b>	36 Amount from line 34F ..... ● 36	.00				
	37 Itemized deductions from federal Schedule A, line 29..... ● 37	.00				
	38 State income tax claimed as itemized deduction ..... ● 38	.00				
	39 Net Oregon itemized deductions. Line 37 minus line 38..... ● 39	.00				
	40 Standard deduction..... ● 40	.00				
	40a You were: ● <input type="checkbox"/> 65 or older; ● <input type="checkbox"/> Blind. Your spouse was: ● <input type="checkbox"/> 65 or older; ● <input type="checkbox"/> Blind.					
	41 Enter the larger of line 39 or line 40 ..... ● 41	.00				
	42 2015 federal tax liability ( <b>\$0-\$6,450; see instructions</b> for the correct amount) ..... ● 42	.00				
43 Total modifications from Schedule OR-ASC-N/P, section 4..... ● 43	.00					
44 Add lines 41, 42, and 43 ..... ● 44	.00					
45 Taxable income. Line 36 minus line 44. If line 44 is more than line 36, enter -0-..... ● 45	.00					

# 2015 Form 40P



Name	SSN
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	46 Taxable income from line 45.....	● 46		.00
<b>Oregon tax</b>	47 <b>Tax.</b> See instructions. Enter tax on line 47. Check if tax is from:.....	● 47		.00
	● 47a <input type="checkbox"/> Form FIA-40P; ● 47b <input type="checkbox"/> Worksheet FCG; ● 47c <input type="checkbox"/> Schedule OR-PTE-PY.			
	48 <b>Oregon income tax.</b> Line 47 multiplied by the <b>Oregon percentage</b> from line 35 .....	● 48		.00
	49 Interest on certain installment sales.....	● 49		.00
	50 Total tax before credits. Add lines 48 and 49.....	● 50		.00

<b>Nonrefundable credits</b>	51 <b>Exemption credit.</b> See instructions .....	● 51		.00
	52 Total standard credits from Schedule OR-ASC-N/P, section 5.....	● 52		.00
	53 Total carryforward credits from Schedule OR-ASC-N/P, section 6.....	● 53		.00
	54 Line 50 minus lines 51, 52, and 53. If less than zero, enter -0- .....	● 54		.00

<b>Payments and refundable credits</b>	55 Oregon income tax withheld from income. <b>Include Forms W-2 and 1099</b> .....	● 55		.00
	56 Amount applied from your prior year's tax refund.....	● 56		.00
	57 Estimated tax payments for 2015. Include all payments made prior to the filing date of this return, including real estate transactions. Do not include the amount already reported on line 56 ...	● 57		.00
	58 Tax payments from a pass-through entity.....	● 58		.00
	59 Oregon surplus credit (kicker). Enter your kicker amount; see instructions. <b>If you elect to donate your kicker to the State School Fund, enter -0- and see line 75.</b> .....	● 59		.00
	60 Total refundable credits from Schedule OR-ASC-N/P, section 7 .....	● 60		.00
	61 Total payments and refundable credits. Add lines 55 through 60.....	● 61		.00

<b>Tax to pay or refund</b>	62 <b>Overpayment of tax.</b> If line 54 is <b>less</b> than line 61, you overpaid. Line 61 minus line 54 .....	● 62		.00
	63 <b>Net tax.</b> If line 54 is <b>more</b> than line 61, you have tax to pay. Line 54 minus line 61 .....	● 63		.00
	64 Penalty and interest for filing or paying late. See instructions .....	64		.00
	65 Interest on underpayment of estimated tax. <b>Include Form 10.</b> .....	● 65		.00
	Exception number from Form 10, line 1: ● 65a <input type="checkbox"/> . Check box if you annualized: ● 65b <input type="checkbox"/> .			
	66 <b>Total penalty and interest due.</b> Add lines 64 and 65.....	66		.00
	67 <b>Tax to pay with penalty and interest.</b> Line 63 plus line 66. .... <b>This is the amount you owe</b> ● 67			.00
	68 <b>Overpayment less penalty and interest.</b> Is line 62 more than line 66? If so, Line 62 minus line 66..... <b>This is your refund</b> ● 68			.00
	69 <b>Estimated tax.</b> Fill in the part of line 68 you want applied to your estimated tax .....	● 69		.00
	70 Total charitable checkoff donations from Schedule OR-D, line 30 .....	● 70		.00
71 Total Oregon 529 College Savings Plan deposits. See instructions .....	● 71		.00	
72 Total. Add lines 69 through 71. Total can't be more than your refund on line 68.....	● 72		.00	
73 Line 68 minus line 72. This is your net refund..... <b>Net refund</b> ● 73			.00	

<b>Direct deposit</b>	74 For direct deposit of your refund, see instructions. Will this refund go to an account outside the United States? ● <input type="checkbox"/> Yes			
	<table style="width: 100%;"> <tr> <td style="width: 30%;">● <b>Type of account:</b> <input type="checkbox"/> Checking; or <input type="checkbox"/> Savings.</td> <td style="width: 70%;">● Routing number: <input style="width: 20px; height: 15px; border: 1px solid black;" type="text"/></td> </tr> <tr> <td></td> <td>● Account number: <input style="width: 80px; height: 15px; border: 1px solid black;" type="text"/></td> </tr> </table>	● <b>Type of account:</b> <input type="checkbox"/> Checking; or <input type="checkbox"/> Savings.	● Routing number: <input style="width: 20px; height: 15px; border: 1px solid black;" type="text"/>	
● <b>Type of account:</b> <input type="checkbox"/> Checking; or <input type="checkbox"/> Savings.	● Routing number: <input style="width: 20px; height: 15px; border: 1px solid black;" type="text"/>			
	● Account number: <input style="width: 80px; height: 15px; border: 1px solid black;" type="text"/>			

75 Oregon surplus credit (kicker) donation. If you elect to donate your kicker to the State School Fund, check the box ●  and write the amount from line 7 of the Kicker Calculation Worksheet here: ● 75a \_\_\_\_\_

**This election is irrevocable.**





# Oregon Income Tax Payment Voucher and Instructions

**Where to mail your payment:**

**Mail to:**

For payments made with an original or amended return, if you filed your return:	On paper	PO Box 14555 Salem OR 97309-0940
	With a 2-D barcode or electronically	PO Box 14720 Salem OR 97309-0463
For estimated payments and extension payments		PO Box 14950 Salem OR 97309-0950

**Don't use Form 40-V if you are using an electronic payment option.** Use the voucher only if you are paying by check or money order. Do not mail cash.

**Complete the form.** Select the appropriate payment type.

**Tax year.** Enter the month, day, and year for the beginning and end date of the tax year you are submitting the payment for. For most filers this will be January 1 through December 31 of the tax year. **Example:** For tax year 2015, enter: *Begins: 01/01/2015. Ends: 12/31/2015.*

Cut along the dotted line and mail to the Department of Revenue at the appropriate address from above.

**Note:** If you are viewing this form electronically, and you see a solid box instead of letters or numbers, adjust the view size to 100 percent. If the letters or numbers are still not visible, press the tab key.



**Oregon Income Tax Payment Voucher**

Form  
**40-V**

Department of Revenue use only
•

- **Tax year:**  
Begins: \_\_\_\_\_  
Ends: \_\_\_\_\_
- **Payment type** (check only one):
  - Original return.
  - Extension payment.
  - Estimated payment.
  - Amended return.

First name and initial	Last name	SSN
Spouse's first name and initial	Spouse's last name	SSN
Current mailing address		
City	State	ZIP code
		Contact phone

**Enter payment amount**

\$    .       0 0





**Schedule  
OR-ASC-N/P**

**Oregon Adjustments  
for Form 40N and Form 40P Filers**

**2015**

First name and initial	Last name	Social Security number (SSN)
Spouse's first name and initial	Spouse's last name	Spouse's SSN if joint return

Use Schedule OR-ASC-N/P to claim any of the following items that aren't included on Form 40N or Form 40P:

- Adjustments.
- Additions.
- Subtractions.
- Modifications.
- Standard credits.
- Carryforward credits.
- Refundable credits.

Identify the code you're claiming and enter the information requested in the corresponding section.

For more information, refer to the instructions beginning on page 3.

**Section 1: Adjustments (codes 002-006).**

	Code		Amount in <b>federal</b> column		Amount in <b>Oregon</b> column
● 1a		● 1b		● 1c	
● 1d		● 1e		● 1f	
● 1g		● 1h		● 1i	
● 1j		● 1k		● 1l	
● 1m		● 1n		● 1o	
● 1p		● 1q		● 1r	
● 1s		● 1t		● 1u	
● 1v		● 1w		● 1x	
Enter totals on Form 40N/P, lines 27F				<b>27S</b>	

**Section 2: Additions (codes 102-160).**

	Code		Amount in <b>federal</b> column		Amount in <b>Oregon</b> column
● 2a		● 2b		● 2c	
● 2d		● 2e		● 2f	
● 2g		● 2h		● 2i	
● 2j		● 2k		● 2l	
● 2m		● 2n		● 2o	
Enter totals on Form 40N/P, lines 30F				<b>30S</b>	

**Section 3: Subtractions (codes 300-358).**

	Code		Amount in <b>federal</b> column		Amount in <b>Oregon</b> column
● 3a		● 3b		● 3c	
● 3d		● 3e		● 3f	
● 3g		● 3h		● 3i	
● 3j		● 3k		● 3l	
● 3m		● 3n		● 3o	
Enter totals on Form 40N/P, lines 33F				<b>33S</b>	



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**Section 4: Modifications (codes 600–650).**

	<i>Code</i>		<i>Amount</i>
● 4a		● 4b	
● 4c		● 4d	
● 4e		● 4f	
● 4g		● 4h	
● 4i		● 4j	
Enter total on Form 40N/P, line 43			

**Section 5: Standard credits (codes 801–814).**

	<i>Code</i>		<i>Amount</i>		<i>State abbreviation (if claiming code 802)</i>
● 5a		● 5b		● 5c	
● 5d		● 5e		● 5f	
● 5g		● 5h		● 5i	
● 5j		● 5k		● 5l	
Enter total on Form 40N line 53; or Form 40P line 52					

**Section 6: Carryforward credits (codes 835–865).**

	<i>Code</i>		<i>Amount carried forward from the previous year</i>		<i>Amount awarded this year</i>		<i>Credit amount claimed this year</i>
● 6a		● 6b		● 6c		● 6d	
● 6e		● 6f		● 6g		● 6h	
● 6i		● 6j		● 6k		● 6l	
● 6m		● 6n		● 6o		● 6p	
Enter total on Form 40N line 54 or Form 40P line 53							

**Section 7: Refundable credits (codes 890–894).**

	<i>Code</i>		<i>Amount</i>
● 7a		● 7b	
● 7c		● 7d	
● 7e		● 7f	
● 7g		● 7h	
Enter total on Form 40N line 61; or Form 40P line 60			

—You must include this schedule with your Oregon income tax return—



**Schedule  
OR-529**

**Oregon 529 College Savings Plan  
Direct Deposit for Personal Income Tax Filers**

Tax year

First name and initial	Last name	Social Security number (SSN)
Spouse's first name and initial	Spouse's last name	Spouse's SSN

Would you like to deposit all or a portion of your refund into an Oregon 529 College Savings Plan account? If so, follow the instructions below.

**Requirements**

- To make this choice, you must have an open Oregon 529 College Savings Plan account. For more information, see contact information below.
- Deposits must be a minimum of \$25 per account.
- If your refund is used to pay a debt you owe or the amount you elect to deposit exceeds your available refund, your deposit will be cancelled. Any remaining refund will be refunded by check or direct deposit.

**Instructions**

You may deposit all or a portion of your refund in up to four accounts. Complete all the fields below for each account.

- Select the account manager—Oregon College Savings Plan or MFS 529 Savings Plan;
- Enter the four-digit portfolio number (for more information on portfolio options, contact your account manager);
- Enter the nine or ten-digit account number;
- Enter the amount to be deposited into each account; and
- Total the amounts to be deposited.

1. Check one:  Oregon College Savings Plan or  MFS 529 Savings Plan

• Portfolio no.  • Account no.  • Amount \$ .00

2. Check one:  Oregon College Savings Plan or  MFS 529 Savings Plan

• Portfolio no.  • Account no.  • Amount \$ .00

3. Check one:  Oregon College Savings Plan or  MFS 529 Savings Plan

• Portfolio no.  • Account no.  • Amount \$ .00

4. Check one:  Oregon College Savings Plan or  MFS 529 Savings Plan

• Portfolio no.  • Account no.  • Amount \$ .00

Add lines 1–4. Enter this amount on your return.

Total \$ .00

**Contact information**

*Oregon 529 College Savings Network*  
www.oregon529network.com  
Phone: (503) 373-1903  
Email: college.savings@ost.state.or.us

*Oregon College Savings Plan*  
www.oregoncollegesavings.com/  
Phone: 1 (866) 772-8464

*MFS 529 Savings Plan*  
https://annex.mfs.com/subs/oregon/index.html  
Phone: 1 (866) 529-1637

**—You must include this schedule with your Oregon income tax return to have your refund applied—**





# Schedule OR-D

## Oregon Charitable Checkoff Donations

# 2015

First name and initial	Last name	Social Security number (SSN)
Spouse's first name and initial	Spouse's last name	Spouse's SSN

**Instructions:** Use this form to donate some or all of your refund to the charities listed below.

	Charitable checkoff organization	• Amount of refund donated
1	Planned Parenthood of Oregon [Code 13]	
2	Oregon Lions Sight & Hearing Foundation [Code 14]	
3	Shriners Hospitals for Children [Code 15]	
4	Special Olympics for Oregon [Code 16]	
5	Susan G. Komen for the Cure [Code 17]	
6	Oregon Military Assistance Program [Code 24]	
7	Oregon Historical Society [Code 18]	
8	Oregon Food Bank [Code 25]	
9	Albertina Kerr Kid's Crisis Care [Code 26]	
10	American Red Cross [Code 27]	
11	Cascade AIDS Project [Code 28]	
12	Veterans Suicide Prevention [Code 23]	
13	Oregon Non-Game Wildlife [Code 19]	
14	Prevent Child Abuse [Code 20]	
15	Alzheimer's Disease Research [Code 21]	
16	Stop Domestic and Sexual Violence [Code 22]	
17	Habitat for Humanity [Code 1]	
18	Oregon Head Start Association [Code 2]	
19	American Diabetes Association [Code 3]	
20	SMART [Code 5]	
21	Oregon Coast Aquarium [Code 4]	
22	SOLVE [Code 6]	
23	The Nature Conservancy [Code 8]	
24	St. Vincent DePaul Society of Oregon [Code 7]	
25	Oregon Humane Society [Code 10]	
26	The Salvation Army [Code 11]	
27	Doernbecher Children's Hospital [Code 9]	
28	The Oregon Veterans' Home [Code 12]	
29	ALS Association [Code 29]	
30	<b>Total charitable checkoff donations.</b> Add lines 1 through 29.	

Enter total on line 46 of Form 40; line 71 of Form 40N; or line 70 of Form 40P. This amount cannot reduce your net refund below zero.