



VIEWPOINT
AHEAD

TAXATION IN OREGON



Corporate Activity Tax (CAT) (1/2)

The CAT is imposed on businesses for the privilege of doing business in Oregon. Taxpayers with Oregon commercial activity exceeding USD 750,000 must register for the CAT. Commercial activity is the total amount realized by a business from the transactions and activity in the regular course of their business in Oregon, without deduction for expenses incurred by the business.

Taxpayers with Oregon commercial activity of USD 1 million or more are required to file a CAT return.

Due Date

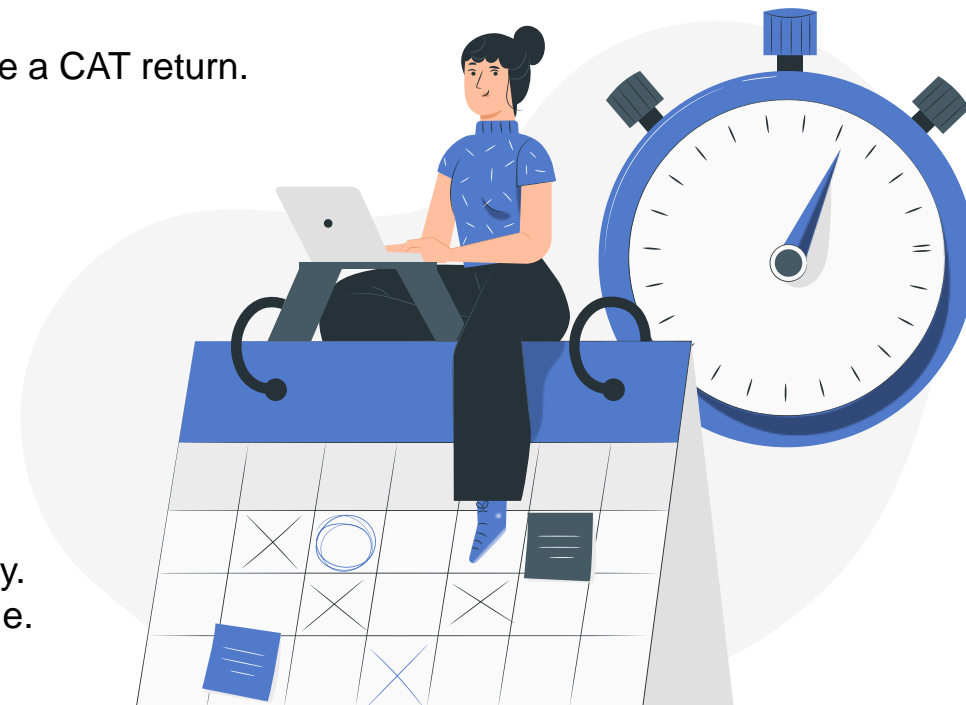
Taxpayers must file their returns by the 15th day of the fourth month following the end of their tax year.

Filing Requirements

Registration is due within 30 days of meeting the USD 750,000 registration threshold. Businesses subject to the CAT are required to register with the Oregon Department of Revenue and file an annual CAT return, Form OR-CAT, even if they have no tax liability. The return must report the total amount of commercial activity and calculate the tax due.

Extension of time to file

Taxpayers can request a six-month extension of time to file the Oregon Corporate Activity tax return, by submitting the Form OR-CAT-EXT before the 15th day of the fourth month following the end of the tax year.



Corporate Activity Tax (CAT) (2/2)



Estimated Tax Payment

Businesses with expected CAT liability of USD 5,000 or more for a tax year are required to make quarterly estimated tax payments. Estimated tax payments are due quarterly for the calendar and fiscal year filers, as follows:

- **Calendar year filers** : April 30, July 31, October 31, and January 31.
- **Fiscal year filers** : The last day of the 4th, 7th, and 10th month, and the last day of the first month following the end of your tax year.

Interest and Penalty

- **Late payment or failure to pay tax:** 5% penalty on tax not paid by the original due date, even if the taxpayer has filed a valid extension.
- **Late filing or failure to file return:** 20% penalty on tax not paid in full by the original due date and if the return is filed later than three months after the original or extended due date.
- **Interest:** If the taxpayer does not pay the taxes by the original filing due date, they must pay interest of 8%** on the unpaid tax. Interest starts accruing the day after the original due date and ends on the day you pay in full. Even if an extension is filed, an interest is to be paid after the return's original due date.

** If the deficiencies are not discharged even after 60 days, then the interest shall increase 12% per annum.

Corporate Excise and Income Tax (CET) for C corporation



Corporations that are doing business in Oregon, or with income from an Oregon source, or if they are registered with the Oregon Secretary of State are required to file an Oregon corporation tax return. Oregon has two types of corporate taxes: excise and income. Excise tax is a tax for the privilege of doing business in Oregon. It's measured by net income.

Excise tax filers are subject to corporate minimum tax. Income tax is for corporations not doing business in Oregon, but with income from an Oregon source. Income tax filers aren't subject to corporate excise or minimum tax.

Corporate Excise Tax

Oregon sales of filing group (USD)	Minimum tax (USD)
500,000 to 999,999	500
1,000,000 to 1,999,999	1,000
2,000,000 to 2,999,999	1,500
3,000,000 to 4,999,999	2,000
5,000,000 to 6,999,999	4,000
7,000,000 to 9,999,999	7,500
10,000,000 to 24,999,999	15,000
25,000,000 to 49,999,999	30,000
50,000,000 to 74,999,999	50,000
75,000,000 to 99,999,999	75,000
100,000,000 and above	100,000,000 and above



Corporate Income Tax (1/2)



Corporate Income tax filers pay only calculated tax. They aren't subject to minimum tax. If Oregon taxable income is USD 1 million or less, the income is subject to 6.6%. If the Oregon taxable income is more than USD 1 million, the income is subject to 7.6% in addition to USD 66,000.

Due Date

The due date for Oregon Corporate Excise Tax returns is typically on or around the 15th day of the fourth month following the federal income tax due date.

Filing Requirements

All corporations doing business in Oregon must file Form OR-20 and are subject to the minimum excise tax. Corporations not doing business in Oregon, but with income from an Oregon source, must file Form OR-20-INC and are subject to income tax.

Extension of time to file

A taxpayer requesting an Oregon extension when a federal extension is also filed must send a copy of the federal extension with the Oregon return while filing.

If only an Oregon extension is requested, the taxpayer must answer question 1 on the federal extension Form 7004 and mention 'For Oregon Only' at the top of the form and include it with the Oregon return while filing.

The Oregon extension due date is the 15th day of the month following the federal extension's due date.

Corporate Income Tax (2/2)

Estimated Tax Payment

C corporations in Oregon may be required to make estimated tax payments if they expect to owe a USD 500 amount of tax liability for the tax year. Estimated tax payments are due quarterly, as follows Calendar year filers April 15, June 15, September 15, and December 15.

Interest and Penalty

- **Late payment or failure to pay tax:** 5% penalty on tax not paid by the original due date, even if the taxpayer has filed a valid extension.
- **Late filing or failure to file return:** 20% penalty on tax not paid in full by the original due date and if the return is filed later than three months after the original or extended due date.
- **Interest:** If the taxpayer does not pay the taxes by the original filing due date, they must pay interest of 8% on the unpaid tax. Interest starts accruing the day after the original due date and ends on the day you pay in full. Even if an extension is filed, an interest is to be paid after the return's original due date.



Corporate Excise & Income Tax (CET) for S corporation (1/2)



S corporations doing business in Oregon are generally required to file an Oregon Corporate Excise Tax return if they have income from Oregon sources or if they are registered with the Oregon Secretary of State to conduct business in the state.

Due Date

The due date for Oregon Corporate Excise Tax returns for S-corporation is typically due by the 15th day of the fourth month following the federal income tax due date.

Filing Requirements

S corporations in Oregon generally use Form OR-20-S, Oregon S Corporation Tax Return, to file their tax return.

If Oregon taxable income is USD 1 million or less, the income is subject to 6.6%. If the Oregon taxable income is more than USD 1 million, then the income which is greater than USD 1 million is subject to tax at 7.6% in addition to USD 66,000.

Extension of time to file

A taxpayer requesting an Oregon extension when a federal extension is also filed must send a copy of the federal extension with the Oregon return while filing.

If only an Oregon extension is requested, the taxpayer must answer question 1 on the federal extension Form 7004 and mention 'For Oregon Only' at the top of the form and include it with the Oregon return while filing.

The Oregon extension due date is the 15th day of the month following the federal extension's due date

Corporate Excise & Income Tax (CET) for S corporation (2/2)



Estimated Tax Payment

S corporations in Oregon may be required to make estimated tax payments if they expect to owe a USD 500 amount of tax liability for the tax year.

Estimated tax payments are due quarterly, for the calendar and fiscal year filers as follows:

- **Calendar year filers** : April 15, June 15, September 15, and December 15.
- **Fiscal year filers** : The 15th day of the 4th, 6th, 9th, and 12th months of the taxpayer's fiscal year.

Interest and Penalty

- **Late payment or failure to pay tax:** 5% penalty on tax not paid by the original due date, even if the taxpayer has filed a valid extension.
- **Late filing or failure to file return:** 20% penalty on tax not paid in full by the original due date and if the return is filed later than three months after the original or extended due date.
- **Interest:** If the taxpayer does not pay the taxes by the original filing due date, they must pay interest of 8% on the unpaid tax. Interest starts accruing the day after the original due date and ends on the day you pay in full. Even if an extension is filed, an interest is to be paid after the return's original due date.

Corporate Excise and Income Tax (CET) for Partnership LLC & LLP (1/2)



Partnerships, including Limited Liability Partnerships (LLPs) and Limited Liability Companies (LLCs) treated as partnerships for tax purposes, are generally required to file an Oregon Partnership return if they have income from Oregon sources or if they are registered with the Oregon Secretary of State to conduct business in the state.

A partnership must pay USD 150 minimum tax if it's doing business in Oregon and is required to file a partnership return.

Due Date

Returns are due by the 15th day of the third month after the end of the partnership's tax year.

Filing Requirements

Partnerships, LLPs, and LLCs in Oregon generally use Form OR-65, Oregon Partnership Return of Income, to file their tax return. Partnerships that aren't required to file a federal partnership return are not required to file partnership return in the state of Oregon.

Extension of time to file

If the partnership has filed for a federal extension, they don't need an Oregon extension. If they need to file for an Oregon-only extension, they will receive the same amount of time i.e., 6 months, to file as a federal extension.



Corporate Excise and Income Tax (CET) for Partnership LLC & LLP (2/2)

Estimated Tax Payment

Partnerships, LLPs, and LLCs in Oregon are not required to make estimated tax payments.

Interest and Penalty

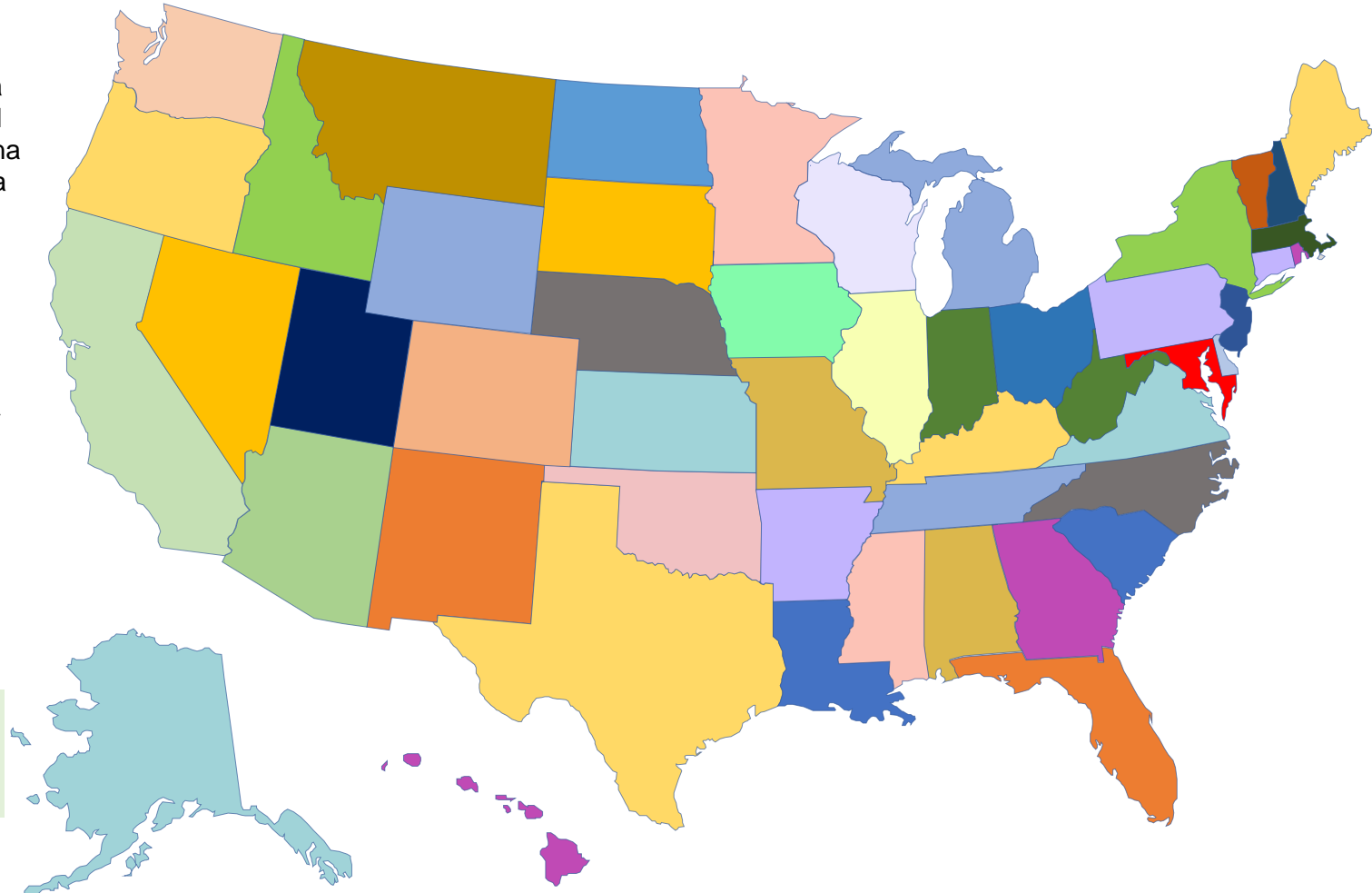
- **Non-filing of return:** The Oregon department may assess a penalty if a partnership doesn't file a return or fails to provide information as required by law. The penalty is USD 50 per month per partner for each month the return is late or incomplete, up to a maximum of five months.
- **Interest:** If the taxpayer does not pay the taxes by the original filing due date, they must pay interest of 8% on the unpaid tax and increases to 10% if not paid within 60 days of the billing notice. Interest starts accruing the day after the original due date and ends on the day you pay in full. Even if an extension is filed, interest is to be paid after the return's original due date.
- **Late payment or failure to pay tax:** 5% penalty on tax not paid by the original due date, even if the taxpayer has filed a valid extension.



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THANK YOU

USA

M2K Advisors Inc

16192 Coastal Highway,
Lewes, County of Sussex,
Delaware - 19958

Singapore

M2K Advisors Pte Ltd

The Octagon,
105 Cecil Street, #13-02
Singapore 069534

India

M2K Advisors LLP

7th Floor, Briley One,
No. 30/ 64 Ethiraj Salai,
Egmore, Chennai – 600 008,
Tamil Nadu, India

India - Bengaluru

M2K Advisors LLP

WeWork, No.43, Residency
Road, Shanthala Nagar,
Ashok Nagar,
Bengaluru 560025

UAE - Dubai

M2K Advisors

701 C Aspin Commercial
Tower, Sheikh Zayed Road,
Trade Center First, Dubai
PO Box - 50810

Australia

M2K Advisors Pty Ltd

Unit 605E, 888 Collins St,
Docklands VIC 3008,
Australia

For any queries, reach us at:

support@m2kadvisors.com;

+1 (707) 800-8229



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