

A Summary of Oregon Taxes



A Summary of Oregon Taxes provides a brief description of selected taxes and fees individuals and businesses can expect to pay in Oregon. This brochure should not be considered a comprehensive listing of all taxes and fees imposed in the state of Oregon.

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INDIVIDUAL TAXES

Income Tax



Who Pays

- Resident individuals, estates, and trusts.
- Part-year residents and nonresidents with income from Oregon sources.

Rates: Tax Year 2009

Single Return

First \$3,050 is taxed at 5%
Next \$4,550 is taxed at 7%
Next \$117,400 is taxed at 9%
Next \$ 125,000 is taxed at 10.8%
Over \$250,000 is taxed at 11%

Joint Return

First \$6,100 is taxed at 5%
Next \$9,100 is taxed at 7%
Next \$234,800 is taxed at 9%
Next \$250,000 is taxed at 10.8%
Over \$500,000 is taxed at 11%

Filing Information

Rates are applied to taxable income. File Form 40, 40S, 40N, or 40P with the Oregon Department of Revenue. A copy of federal Form 1040 is required with Form 40, 40N, and 40P. A variety of tax credits are available to those who qualify.

Employers withhold tax from employees' wages. Employees file for refunds or pay additional tax by April 15 of each year.

Quarterly estimated payments are generally required from self-employed people, those with income not subject to withholding, and people who owe \$1,000 or more on their Oregon income tax return.

For More Information

Oregon Department of Revenue
955 Center Street NE, Salem OR 97301-2555
503-378-4988, in Oregon 1-800-356-4222
TTY 503-945-8617, or 1-800-886-7204
www.oregon.gov/dor
E-mail: questions.dor@state.or.us

Property Tax

Who Pays

- Owners of real property.
- Owners of business personal property.
- Lessees of taxable property.



Rate

County assessors combine permanent operating tax rates (set in fiscal year 1997–98) with other levy rates to determine consolidated tax rates. These rates are applied to the assessed value of each property to determine the tax extended. A constitutional limitation is applied to the tax extended to arrive at the tax imposed for the property. For fiscal year 2009-10, the average tax rate was \$9.50 per \$1,000 of real market value. Maximum assessed value is limited to a 3 percent annual growth rate, unless certain changes affect the property. The assessed value of new construction is set at the average rate of similar properties in the area.

Filing Information

Business personal property owners and certain real property owners must file a return annually.

One-third payment is due from all taxpayers by November 15. Taxpayers who pay in full by November 15 receive a 3 percent discount.

Special exemptions, tax relief programs, and deferrals are available to those who qualify.

For More Information

Contact the county assessor and county tax collector of the county where your property is located.

Inheritance Tax

Oregon inheritance tax is determined under Internal Revenue Code (IRC) in effect December 31, 2000. For deaths on or after January 1, 2003, Oregon's filing requirements are different from that of the federal government. Oregon has not adopted any federal inheritance tax changes made to the IRC after December 31, 2000. If the gross estate is more than \$1,000,000, you must file an Oregon return even if you are not required to file a federal return.

For More Information

Oregon Department of Revenue
503-378-4988, in Oregon 1-800-356-4222
TTY 503-945-8617, or 1-800-886-7204
www.oregon.gov/dor
E-mail: estate.help.dor@state.or.us

Oregon does not impose a gift tax and a gift tax is not required for transfers on or after January 1, 1987.

Driver and Motor Vehicle Licensing



Who Pays

- Owners and operators of motor vehicles.
- Truckers using Oregon highways.

Rates:

Passenger Vehicle Registration Fees:

| | |
|--|----------|
| Initial four-year registration on new vehicles only, | \$172.00 |
| Registration and renewal for two-years, | \$86.00 |
| Motor home fees are calculated according to length. | |

Vehicle Title Fees:

| | |
|---|----------|
| Heavy vehicle, GVWR over 26,000 lbs., | \$90.00 |
| Regular vehicle (motor homes under GVWR 26,000lbs), | \$77.00 |
| “New-to-Oregon” vehicle identification number (VIN) inspection, | \$7.00 |
| Original Driver License Fees (eight-year): | |
| Standard Class C, | \$60.00 |
| Commercial Class A, B, or C, (with an OR license) | \$75.50 |
| (without an OR license); | \$135.50 |
| Original motorcycle endorsement (with an OR license) | \$87.00 |
| (without an OR license) | \$144.00 |

Renewals (eight-year):

| | |
|-------------------------------------|---------|
| Standard Class C | \$40.00 |
| with motorcycle endorsement | \$68.00 |
| Commercial Class A, B, or C renewal | \$61.50 |
| with motorcycle endorsement | \$89.50 |

Licensing Information

The Oregon Driver and Motor Vehicles Services Division issues all driver licenses and vehicle registrations. Oregon driver licenses are valid for eight years. New Oregon residents are required to title and register their vehicles in Oregon within 30 days of moving into the state, and exchange their out-of-state license for an Oregon license. Vehicle registration plates are renewed for two years, but some newly purchased vehicles are eligible for an initial four-year registration. Motor vehicle insurance is mandatory in the state of Oregon.

For More Information

Oregon Department of Transportation

Driver and Motor Vehicle Services Division (DMV)
1905 Lana Avenue NE, Salem OR 97314
503-945-5000
www.oregon.gov/ODOT/DMV

Fishing and Hunting Licensing

Who Pays

- Resident and nonresident anglers and hunters



Annual Recreational Rates: 2010

| Type of License | Resident | Nonresident |
|-------------------------------|----------|-------------|
| Angling (Fishing) license | \$33.00 | \$106.25 |
| Hunting license | \$29.50 | \$140.50 |
| Hunting and angling (fishing) | \$58.00 | N/A |

Licensing Information

Annual recreational licenses may be purchased any time during the year online at www.dfw.state.or.us or at one of hundreds of license agents statewide. There are additional fees for certain fishing and hunting tags. Daily fishing licenses are also available for one, two, three, or four days. Seven-day fishing licenses are available for nonresidents only.

For More Information

Oregon Department of Fish and Wildlife
3406 Cherry Ave., NE
Salem, OR 97303-4924
General information: 503-947-6000; 1-800-720-6339 (toll-free in Oregon)
www.oregon.gov/ODFW
E-mail: ODFW.info@state.or.us

BUSINESS TAXES

Corporate Excise and Income Taxes

Who Pays

- Corporations doing business in Oregon pay excise tax.
- Corporations not doing business in Oregon, but having income from an Oregon source, pay income tax.



Rate

- The Corporate tax rate is 6.6 percent of the first \$10 million of taxable income and 7.6 percent of any amount of taxable income in excess of \$10 million.
- The minimum excise tax for S-Corporations is \$150.
- The minimum excise tax for C-Corporations is \$150 for corporations with Oregon sales below \$500,000, with a graduated increase up to \$100,000 for C-Corporations with Oregon sales of \$100 million or more.

Filing Information

Corporations file Form 20 (excise) or Form 20-I (income), S corporations file Form 20S, and Insurance companies file Form 20-INS. These returns are due one month after the due date of the federal return. Returns are filed with the Oregon Department of Revenue. Estimated payments are required from corporations expecting to have a tax liability of \$500 or more for the tax year. Estimated payments are made using Form 20ES.

For More Information

Oregon Department of Revenue
955 Center Street NE, Salem OR 97301-2555
503-378-4988, in Oregon 1-800-356-4222
TTY 503-945-8617 (Salem) or 1-800-886-7204 (toll-free in Oregon)
www.oregon.gov/DOR
E-mail: corp.help.dor@state.or.us

Unemployment Insurance Tax

Who Pays

- Oregon employers.



Rate

For 2010, new employers are assigned a fixed rate of 3.1 percent of taxable wage base. Tax rates for existing employers are based

on employers' experience and range from 1.8 percent to 5.4 percent of taxable wage base.

Filing Information

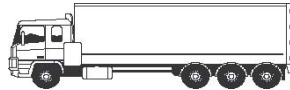
Taxes are paid quarterly and are due by the end of the month following the close of the calendar quarter for which taxes are payable.

In 2010, the tax is paid on the first \$32,100 of wages paid to each employee. The rate schedule in effect depends on the balance in the Trust Fund as of August 31 each year and the amount of revenue needed to maintain the balance at a level adequate to pay benefits.

For More Information

Oregon Employment Department
875 Union Street NE, Salem OR 97311
503-947-1488; 1-800-237-3710 (toll-free in Oregon)
TTY/TDD users please dial 711
www.oregon.gov/employ
E-mail: taxinfo@emp.state.or.us

Weight-mile Tax



Who Pays

- For-hire and private motor carriers operating into, within, and through the state.

Rate

The weight-mile tax is one of two components of transportation taxes in Oregon; the other is Gas, Use, and Jet Fuel Taxes. In general, vehicles are subject to one tax or the other, not both. Oregon bases its weight-mile tax on the number of miles traveled in Oregon and the weight of the vehicle. Per-mile rates depend on declared combined weight of vehicle. This tax is levied on all trucks weighing more than 26,000 pounds. Trucks subject to the weight-mile tax are exempted from Oregon's diesel fuel tax. Several classes of trucks have the option of being taxed on an annual, flat-fee basis. Trucks operating under flat-fees can make monthly payments based on the average mileage for trucks of that type operating under the flat fee.

Filing Information

All carriers operating within Oregon are required to file Mileage Tax Reports. They are filed monthly, quarterly or annually depending on the amount of tax owed. Forms, tax rate tables,

road assessment fees, and additional information are available on the Department of Transportation's Web site.

For More Information

Oregon Department of Transportation
Motor Carrier Transportation Division
550 Capitol Street NE, Salem OR 97301-2530
503-378-6699

www.oregon.gov/ODOT/DMV

E-mail: askodot@odot.state.or.us



Miscellaneous Business Taxes & Fees

Alcoholic Beverage Tax

Manufacturers and/or import wholesalers of malt beverages and wines pay a privilege tax. Manufacturers, wholesalers, and retailers of distilled spirits, malt beverages, and wines pay license fees. Managers and employees who serve, mix, or sell alcoholic beverages pay for service permits. The Oregon Liquor Control Commission (OLCC) collects the tax.

Contact the OLCC for additional information at 503-872-5000; or 1-800-452-6522 (in Oregon).

Amusement Device Tax

Excise taxes are imposed upon every person operating an amusement device in Oregon. An amusement device, for tax purposes, is a video poker game terminal.

Contact the Oregon Department of Revenue for additional information at: 503-378-4988; or 1-800-356-4222 (in Oregon); TTY 503-945-8617 or 1-800-886-7204 (in Oregon); or Email: Spa.Help@state.or.us

Cigarette and Tobacco Taxes

Distributors of cigarettes and tobacco products are required to purchase tax stamps for cigarettes. The cigarette tax rate for 2010 is 5.9 cents per cigarette or \$1.18 per pack of 20 cigarettes. In addition, distributors also pay \$1.78 per ounce for moist snuff, or pay 65 percent-of the wholesale price on other tobacco products. Individuals who purchase unstamped cigarettes via the Internet or some other source must file Form 514 and pay the cigarette tax on products purchased.

Contact the Oregon Department of Revenue, Tobacco Compliance Unit for additional information at: 503-945-8120; or 1-800-356-4222 (in Oregon); TTY 503-945-8617 or 1-800-886-7204 (in Oregon).

Dry Cleaning Fee and Dry Cleaning Distributor's Tax

Operators of dry cleaning facilities pay this fee. A tax is also imposed on the sale or transfer of dry cleaning solvents within Oregon.

Contact the Department of Environmental Quality for additional information at: 503-229-5696; or 1-800-452-4011(in Oregon); or Email: deq.info@deq.state.or.us

Emergency Communications (9-1-1) Tax

Telephone companies providing local exchange access services in Oregon collect this tax from their customers. The tax, which is \$0.75 per line per month, is reported and paid quarterly. For cellular, wireless, or other radio common carriers, the tax applies to each device.

Contact the Oregon Department of Revenue for additional information at: 503-378-4988; or 1-800-356-4222 (in Oregon); TTY 503-945-8617 or 1-800-886-7204 (in Oregon).

Hazardous Substance Fee

A variable fee is imposed on the possession of nonpetroleum hazardous substances (chemical substance or waste) at business facilities in Oregon, including substances manufactured, stored, or used at the facility. The fee is based on the type and quantity of the hazardous substance at the facility and the rate is set annually by statute by the State Fire Marshal.

Contact the Oregon Department of Revenue for additional information at: 503-378-4988; or 1-800-356-4222 (in Oregon); TTY 503-945-8617 or 1-800-886-7204 (in Oregon).

Petroleum Load Fee

Petroleum suppliers and importers to Oregon pay this fee. The fee is assessed per load and the rate is set by administrative rule by the State Fire Marshal.

Contact the Oregon Department of Revenue for additional information at: 503-378-4988; or 1-800-356-4222 (in Oregon); TTY 503-945-8617 or 1-800-886-7204 (in Oregon).

Sales Tax

Oregon does not have a state sales tax.

State Transient Lodging Tax

Public and private lodging providers, who provide temporary overnight lodging, must pay a 1 percent state lodging tax. The tax

is in addition to and not in place of any local transient lodging tax. Every lodging provider in Oregon collects the tax from the customer at the time the fee for lodging is paid. Lodging providers must register with the Department of Revenue and file quarterly tax returns.

For more information on State Lodging Tax, call 503-945-8247 and select option 1 or toll-free (in Oregon) 1-800-886-7204; TTY (hearing or speech impaired) 503-945-8617. Online information: www.oregon.gov/DOR/BUS/lodging.shtml

Timber Taxes

Timber harvested in Oregon is subject to one or more timber taxes; the Small Tract Forestland (STF) Severance Tax and/or the Forest Products Harvest Tax.

Contact the Oregon Department of Revenue for additional information at: 503-378-4988; or 1-800-356-4222 (in Oregon); TTY 503-945-8617 or 1-800-886-7204 (in Oregon).

Local Government Taxes

Many local governments in Oregon impose other taxes. For example: the City of Portland Business License (privilege tax), the Multnomah County Business Income Tax (MCBIT), the TriMet and Lane Transit District Self-Employment Tax, the Transit Payroll (excise) Tax, and hotel-motel taxes. Contact the city or county of interest for information about taxes in that area.

Questions?

Telephone: Salem.....503-378-4988
Toll-free within Oregon.....1-800-356-4222

TTY (hearing or speech impaired; machine only): 503-945-8617 (Salem) or 1-800-886-7204 (toll-free within Oregon).

Americans with Disabilities Act (ADA): This information is available in alternative formats. Call 503-378-4988 (Salem) or 1-800-356-4222 (toll-free within Oregon).

For general information: www.oregon.gov

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



955 Center Street NE
Salem OR 97301-2555
503-378-4988 or 1-800-356-4222
TTY 503-945-8617