

Oregon Amended Schedule

for Amending Individual Income Tax Returns

Tax Year _____

Reminder: If you object to an adjustment we made to your return, do not respond by filing an amended return.

Check if amending to change from married/RDP filing separate to married/RDP filing joint.

• 1a Check if amending due to a net operating loss (NOL).

| | | |
|---|--|------------------------------------|
| Last name | First name and initial | Social Security number (SSN) |
| Spouse's/RDP's last name, if different and joint return | Spouse's/RDP's first name and initial, if joint return | Spouse's/RDP's SSN if joint return |

Please read instructions

Round to the nearest dollar

| | | | |
|--|-------|-----|-----|
| 101 Net income tax as amended | • 101 | .00 | .00 |
| 102 Oregon income tax withheld as amended | • 102 | .00 | .00 |
| 103 Refundable tax credits as amended (see instructions on page 2-3) | | | |
| Earned income credit as amended (tax years 2006 and later only)..... 103a | | .00 | |
| Working family child care credit as amended 103b | | .00 | |
| Mobile home park closure credit (tax year 2007 or later) or involuntary move of a mobile home credit (tax year 2006 only) as amended..... 103c | | .00 | |
| Total refundable tax credits as amended (add lines 103a, 103b, and 103c)..... | • 103 | .00 | .00 |
| 104 Estimated tax payments..... | • 104 | .00 | .00 |
| 105 Amount of net income tax paid with original return and later (do not include penalty or interest) | • 105 | .00 | .00 |
| 106 Total payments (add lines 102-105) | • 106 | .00 | .00 |
| 107 Income tax refunds received from original return and later (do not include interest or kicker; see instructions)..... | • 107 | .00 | .00 |
| 108 Net payments (line 106 minus line 107)..... | • 108 | .00 | .00 |
| 109 Overpayment. If line 108 is more than line 101, you over paid (line 108 minus line 101)..... | • 109 | .00 | .00 |
| 110 Amount on line 109 you want applied to your estimated tax | • 110 | .00 | .00 |
| 111 Refund (line 109 minus line 110) | • 111 | .00 | .00 |
| 112 Additional tax to pay. If line 101 is more than line 108, you have tax to pay (line 101 minus line 108)..... | • 112 | .00 | .00 |
| 113 Interest on additional tax to pay (see instructions on page 4)..... | 113 | .00 | .00 |
| 114 Amount you owe. Pay in full with this return (add lines 112 and 113) | 114 | .00 | .00 |

Explanation of adjustments made—Include line number(s) and show the computations in detail. Additional space is available on the back if needed. Attach schedules, if applicable. If you are amending for an NOL, attach a copy of your NOL computation and a copy of the tax return for the year the NOL occurred.

**Amended returns may take six months or longer to process.
—Include this schedule with your Oregon amended return—**

Instructions for Oregon Amended Schedule For Amending Oregon Individual Income Tax Returns

Note: Have you received a notice from us because we made adjustments to your return? If so and you object to the adjustments, do not respond by filing an amended return. You must follow the appeal process explained on the notice. File an amended return only if the changes you are making are unrelated to the adjustments on our notice.

How do I amend my Oregon return?

You will need the following items:

- The tax form and instruction booklet for the year that you are amending. This will usually be the same form type as your original return, unless:
 - You filed Form 40S, but can no longer use that form. Use Form 40 instead; or
 - You filed the incorrect form for your residency status. Use the correct form type to amend.
- The *Oregon Amended Schedule* and these instructions.
 - Include the *Oregon Amended Schedule* with your amended (corrected) return.
- A copy of the Oregon tax return that you originally filed for the year being amended.
- A copy of any previous amended returns you filed for the year being amended.
- A copy of all notices from us, another state, or the Internal Revenue Service (IRS) for the tax year being amended.
 - If we corrected your return on a notice, use the figures from that notice when amending your return.

Follow these steps to amend your return:

1. Read through these instructions before filling out your form.
2. Check the amended box at the top of your amended Form 40S, 40, 40N, or 40P using blue or black ink.
3. If we sent you a notice adjusting your return, use those figures when making your other unrelated adjustments.
4. **Do not** include any amounts received as a surplus or kicker refund. We will recompute the correct amount and adjust your return.
5. **Fill out** your entire income tax form (Form 40S, 40, 40N, or 40P) using the correct information.
6. **Do not** re-enter any refund that you already asked us to apply to your next year's estimated tax.
7. **Remember** that charitable checkoffs, political party donations, and Oregon 529 college savings plan deposits cannot be used on amended returns.
8. **After** completing your amended (corrected) return, complete the amended schedule. The amended schedule will figure your additional refund or tax to pay on your amended return.
9. **Include your amended return with your amended schedule.** See "Finishing the amended return and schedule" at the end of these instructions.

I need to amend my Form 90R, *Elderly Rental Assistance (ERA)*. Do I use this schedule?

No. Do not use this schedule to amend Form 90R. To file an amended ERA claim, use Oregon Form 90R. You should:

- Request an ERA booklet for the year you are amending. To order a booklet, go to our website or contact us.
- Write "amended" in blue or black ink at the top of Form 90R.
- Fill out Form 90R using the correct information.
- Attach an explanation of your changes.

How long do I have to file for a refund?

In most cases, you must file for a refund within three years from the due date of your original return, or the date you filed your original return, whichever is later. If the three-year filing period has expired, you may still file for a refund if:

- You paid tax within the past two years for the tax year you are amending. Your refund is generally limited to the tax you paid in that two-year period.
- You had a net operating loss carryback. Your claim must be filed within three years from the due date of the return for the tax year the loss occurred. The due date includes extensions.
- The IRS or another state adjusted your return or assessed tax for failure to file a return. You must file a copy of the audit report, return, or assessment and your Oregon amended return and schedule within two years after the federal or other state correction was made.

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.

When should I file and pay if I owe additional tax?

File your amended return and schedule as soon as you know that a change needs to be made. Interest is figured from the day after the due date of the original return up to the date the tax is paid. Pay any tax and interest due as soon as possible to avoid additional interest. There may also be a penalty.

I was audited by the IRS (or another state). Do I need to amend my Oregon return?

Yes, if the IRS or other state audit will change your Oregon income tax. If these adjustments do not change your Oregon income tax, there is no need to amend. If you amend, attach a copy of the audit report to your amended Oregon return.

How do I file a protective claim for refund?

You can file a protective claim for refund when the outcome of a court case or legislative action is expected to be known after the time for requesting a refund has expired. Use the *Personal Income Tax Protective Claim for Refund* form (Form PCR) when your claim to a refund is contingent on

a pending court decision or legislative action. Notify the department every six months on the status of the claim.

If the court decision or legislative action changes your Oregon income tax, file an amended return within 90 days of the determination. Follow the instructions on page 1 for steps to amend your return and write “**Protective Claim—FINAL**” at the top of your amended return. Attach a copy of Form PCR to the **front** of your amended return.

How do I amend for a net operating loss (NOL)?

Generally, if you carry an NOL back for federal purposes, you also must carry the Oregon NOL back for Oregon purposes. There is an exception if you were not required to file an Oregon return for all years to which the federal NOL deduction is applied. If you elect to carry forward the federal NOL, then you must also carry forward the Oregon NOL.

An Oregon NOL is defined the same as a federal NOL. However, you may have an Oregon NOL without having a federal NOL. Your Oregon NOL is computed under the federal methods. The only modification is for amounts that Oregon is prohibited from taxing, such as interest from U.S. Series EE, HH, or I bonds (U.S. government interest).

Generally, an NOL for a full-year resident is the same as the federal NOL. Nonresidents are allowed an Oregon NOL if it is generated from Oregon sources.

If you are amending for an NOL, be sure to check the “amending due to an NOL” box on the amended schedule. Please provide an explanation and cite the federal law that allows and/or requires a carryback period other than two years in the explanation of adjustments. If there is no income to absorb the NOL in the required carryback year, please provide an explanation.

For example: My 2012 NOL is from farming and I am required to carry the loss back five years [IRC 172(b)(1)(G)]. Because I have no tax in 2007, I have carried the NOL to 2008 instead of 2007.

Do I change my federal tax liability on my amended return?

Usually not, but follow these special instructions for federal tax liability:

- Did we correct the federal tax subtraction on your original return? If so, use the corrected amount from our notice.
- Did you amend your federal return before the due date (not including extensions) of the original return? If so, the federal tax on your amended federal return is the amount you will use for your amended Oregon return. There will be no addition or subtraction in a later year.
- Did you pay **additional** federal tax because you were audited or filed an amended return after the due date of the original return? If so, claim the additional federal tax as a subtraction on your Oregon return in the year you paid the additional tax.
- Did you get a **refund** of federal tax because you were audited or filed an amended return after the due date of the original return? If so, show the federal tax refund as an addition on your Oregon return in the year you received

the refund, but only if you received a tax benefit. See the federal refund worksheet below.

Example 1: You received a notice from the Oregon Department of Revenue in May and are filling out an amended return in July. The notice stated that your federal tax subtraction was reduced from \$3,500 to \$3,000. You will use the corrected federal tax subtraction of \$3,000, on your amended return.

Example 2: You paid additional federal tax in 2014 for an audit adjustment on your 2012 federal tax return. Amend your 2012 Oregon tax return for the audit adjustments, but **do not** change the 2012 federal tax subtraction. You can subtract the additional 2012 federal tax liability you paid in 2014 on your 2014 return up to the limit. See instructions in the 2014 income tax booklet for limits.

Example 3: You received a federal tax refund in 2014 for amending your 2011 income tax return. You may need to report the refund as an addition on your 2014 return. If you already filed your 2014 return, you may need to amend it.

Federal refund worksheet

Use this worksheet to determine the tax benefit received and the amount to include in Oregon income in the year you received the refund.

1. Enter the federal tax liability on your original federal return. 1. _____
2. Enter the federal tax subtraction limit for the year you are amending. 2. _____
3. Line 1 minus line 2. (Enter -0- if line 2 is greater than line 1.) 3. _____
4. Enter the refund of the prior year’s federal tax. 4. _____
5. If line 3 is greater than line 4, no adjustment is needed on your Oregon amended return. If line 4 is greater than line 3, enter line 4 minus line 3 here and on your Form 40 as an addition and identify with code 109; or on your Form 40N or Form 40P as an other deduction or modification and identify with code 601. 5. _____

Line instructions for the amended schedule

Instructions are for lines not fully explained on the form.

Write the tax year that you are amending on the *Oregon Amended Schedule*.

Do not fill in cents. You must round off cents to the nearest dollar. For example, \$24.49 becomes \$24.00 and \$24.50 becomes \$25.00.

Tax

101. Net income tax as amended. This is your amended tax after nonrefundable credits from your amended return (Form 40, line 41 or Form 40N or 40P, line 58). Do not include refundable tax credits; see line 103. If your credits are more than your tax, enter -0-.

Payments and refundable credits

102. Oregon income tax withheld as amended. If you are correcting the amount of state tax withheld, you must attach

a copy of any additional or corrected Form W-2 or 1099. If this hasn't changed, enter the amount from your previous return (Form 40, line 42 or Form 40N or 40P, line 59).

103. Refundable tax credits as amended. Enter the appropriate amounts as directed below from your amended return on lines 103a, 103b, and 103c.

103a. Earned income credit (EIC) as amended. Tax years 2005 and earlier, enter -0- and go to line 103b. Tax years 2006 and later, enter your corrected Oregon earned income credit from your amended return (Form 40, line 44 or Form 40N or 40P, line 62).

103b. Working family child care credit (WFC) as amended. Enter your corrected working family child care credit from your amended return (Form 40, line 45 or Form 40N or 40P, line 63). Include your amended Schedule WFC or WFC-N/P. If this credit hasn't changed, it will be the same as on your previous return.

103c. Mobile home park closure or involuntary move of a mobile home credit as amended.

- Tax years 2005 and earlier, enter -0-.
- Tax year 2006, enter your corrected refundable involuntary move of a mobile home credit from your amended return and include your amended Schedule MH.
- Tax years 2007 and later, enter your corrected mobile home park closure credit from your amended return and include your amended Schedule MPC (Form 40, line 46 or Form 40N or 40P, line 64).

If your credit hasn't changed, it will be the same as shown on your previous return.

104. Estimated tax payments. Fill in the amount of estimated tax payments credited to your original return (Form 40, line 43 or Form 40N or 40P, line 60). Are you claiming a wolf depredation credit or claim of right credit on your original and/or amended return? If so, include the credit amounts here. **Nonresidents:** Include any Oregon income tax withheld for you by a pass-through entity or by an agent from the proceeds of any Oregon real estate sale (Form 40N or 40P, line 61).

105. Amount of net income tax paid with original return and later. Fill in the amount of all income tax actually paid on your original Oregon return. Include payments made later or for any additional tax adjustments to your return.

Don't include payments for:

- Penalty and interest; or
- Interest on the underpayment of estimated tax.

Example 4: When Amy filled out her original return for tax year 2011, Form 40, line 49 showed tax to pay of \$200. Since the original due date had passed, she entered a 5% late payment penalty of \$10 on Form 40, line 50. Her total amount owed on Form 40, line 53 was \$210. She sent a payment of \$210 with her return. Her return was adjusted in processing to correct a math error. Her tax was increased by \$150. Additional penalty and interest of \$12 was added as well. She was sent a notice explaining the adjustment, showing the corrected line entries on her original return. It also included a request to pay the additional \$162 (tax, penalty, and interest). She paid a total of \$372 (\$350 tax + \$15 penalty + \$7 interest).

Later Amy amends her 2011 return and she enters \$350 on line 105 of her *Oregon Amended Schedule*. She will only include the tax payments. She will not include any of the interest and penalties she paid. **Note:** She will also use the corrected line entries from our notice when filling out her amended return.

107. Income tax refunds received from original return and later. Fill in the amount of any refund you received (or expect to receive) from your original Oregon return and any amended returns previously filed for the same year. Include refunds received from the working family child care credit or other refundable credit or a previous adjustment. Do not include interest received. Do not reduce your refund by:

- Amounts you contributed to charitable funds or political parties claimed on the return; **or**
- Amounts you applied to the next year's estimated tax; **or**
- Amounts we offset to pay money owed to the Department of Revenue or another agency.

Note: Do not include any amounts received as a kicker refund.

Any refund due from your original return may be mailed separately. By law, the Oregon Department of Revenue cannot issue refunds or apply amounts less than \$1.

Example 5: Scott filed his 2012 tax return, claiming a refund of \$5,400 on Form 40, line 54. He asked for \$200 to be applied as an estimated payment for tax year 2013 on line 55. He also requested that \$200 be donated to various charities on lines 56 through 69. His net refund on line 71 was \$5,000. When his return was processed, it took longer than expected, so he received interest on his refund. Scott also owed money for parking tickets and the court had filed the paperwork to offset his tax refund to pay for the tickets and court fees. His refund was reduced by \$1,000 to pay off the balance owed. He received \$4,020 from the department as shown:

| | |
|--|----------------|
| Refund | \$5,400 |
| Less payments applied to next tax year | - 200 |
| Less charitable checkoff donations | - 200 |
| | <hr/> |
| Net refund per return | 5,000 |
| Plus interest received | + 20 |
| | <hr/> |
| Subtotal | 5,020 |
| Less amount paid for Scott's debts | - 1,000 |
| | <hr/> |
| Scott's check from the department | <u>\$4,020</u> |

When Scott amends his 2012 tax return, he will enter \$5,400 on line 107 of his *Oregon Amended Schedule*.

Overpayment or balance due

Note: Charitable checkoffs, political party donations, and Oregon 529 college savings plan deposits cannot be used on amended returns. If you would like to donate to any of the charities, their addresses are available on our website.

110. Amount of line 109 you want applied to another year's estimated tax. If your overpayment on line 109 is \$1 or more, you may apply part or all of it to your open Oregon estimated tax account. Fill in the amount you want to apply. If you choose to apply some or all of your refund as an estimated payment, you may only apply your refund to an open estimated tax account. The election to apply your

refund to an open estimated tax account is irrevocable. An open estimated tax account is an account that is set up prior to the due date of your personal income tax return, for which no return has been filed. The account closes when your return is filed, or if no return is filed, by the due date of the return. Note: It may take six months or longer to process your return and apply your overpayment.

If there are two open estimated tax accounts, the department will apply the refund to the latest open estimated tax account. After the amended return is processed, you can request in writing that the overpayment be applied to the earliest open estimated tax account.

Example 6: Sally filed her 2011 Oregon amended return and schedule on March 12, 2014. Sally received a \$1,500 refund on her 2011 Oregon amended return and elected to apply \$500 of her refund as an estimated tax payment. Sally has two estimated tax accounts open, tax year 2013 (January 1, 2013 through April 15, 2014) and tax year 2014 (January 1, 2014 through April 15, 2015). The department will apply the \$500 overpayment to Sally's 2014 estimated tax account and Sally will claim the \$500 payment when she files her 2014 Oregon return. Sally needs to write to the department if she would like the overpayment applied to tax year 2013 instead.

111. Refund. You must reduce your overpayment by any amounts applied to your estimated tax on line 110. If you would like your remaining refund direct deposited, enter your account information on Form 40S, 40, 40N, or 40P. **Note:** Interest on underpayment of estimated tax for a prior year is not refundable. Do not include it as part of your refund.

113. Interest on additional tax to pay. Do you need to pay additional tax with your amended return? If so, **you must include interest with your payment.** To avoid paying an additional 5 percent penalty, you must pay the tax and interest in full with your amended return, or within 30 days after you receive a billing notice from the department.

Interest on income tax is figured from the day after the due date of your original return up to the date your payment is received.

An interest period is each full month starting with the day after the due date of the original return. Generally, the due date for income tax returns is April 15.

Interest rates on tax you owe
Percentage Rates

| Interest Period | Annual | Monthly | Daily |
|--|--------|------------------|------------------|
| February 16, 2002 to February 15, 2003 | 8% | .6667% (.006667) | .0219% (.000219) |
| February 16, 2003 to January 15, 2004 | 7% | .5833% (.005833) | .0192% (.000192) |
| January 16, 2004 to January 15, 2005 | 6% | .5000% (.005000) | .0164% (.000164) |
| January 16, 2005 to January 15, 2006 | 5% | .4167% (.004167) | .0137% (.000137) |
| January 16, 2006 to January 16, 2007 | 7% | .5833% (.005833) | .0192% (.000192) |
| January 17, 2007 to January 15, 2009 | 9% | .7500% (.007500) | .0247% (.000247) |

| | | | |
|--------------------------------------|----|------------------|------------------|
| January 16, 2009 to January 15, 2010 | 6% | .5000% (.005000) | .0164% (.000164) |
| January 16, 2010 to January 15, 2013 | 5% | .4167% (.004167) | .0137% (.000137) |
| January 16, 2013 to January 15, 2016 | 4% | .3333% (.003333) | .0110% (.000110) |

Example 7: Dianna files an amended return for tax year 2011 on March 24, 2015. She pays additional tax of \$500 with her amended return. The following shows how she figures her interest:

| | | | | |
|--|-----------|-----------|---------|----------------|
| Apr 18, 2012–Jan 17, 2013 | = 9 mos. | x .004167 | x \$500 | = 18.75 |
| Jan 18, 2013–Mar 17, 2015 | = 26 mos. | x .003333 | x \$500 | = 43.33 |
| Mar 18, 2015–Mar 24, 2015 | = 7 days | x .000110 | x \$500 | = 0.39 |
| Total interest due and entered on line 113 | | | | <u>\$62.47</u> |

Explanation of changes

Identify and provide a complete explanation of all amended items. Indicate the line number from the Form 40S, 40, 40N, or 40P for each change. If your filing status changed (for example, from single to head of household), explain why. Include additional pages if you need more room to explain your changes. If you are amending because of an NOL, include an explanation and code cite if the NOL carryback is greater than two years (see page 2 for further instructions).

Finishing the amended return and schedule

If you owe tax and choose to pay by check or money order, make it payable to the **Oregon Department of Revenue**. Write your daytime telephone number and the tax year that you are amending on the check or money order.

Should I put my amended return together in a special order?

Yes. DO NOT staple or tape anything together. To speed processing, place these items in the following order if applicable:

- Your check or money order and Form 40-V (payment voucher) if you owe tax. If you're paying by credit card or electronic payment, do not use Form 40-V.
- Form W-2 or 1099 if you are correcting income or Oregon withholding.
- Oregon amended return (corrected Form 40S, 40, 40N, or 40P).
- Oregon Amended Schedule.
- Schedule OR-A or Schedule OR-A-N/P for tax year 2007, and Schedule OR-ASC or Schedule OR-ASC-N/P for tax year 2008 or later.
- A copy of your corrected federal return (1040EZ, 1040A, 1040, 1040NR-EZ, or 1040NR) and/or other state's amended return. If you originally filed as an RDP, attach a corrected federal "as if" return in addition to any corrected federal or state return(s). Write "RDP for Oregon Only" in blue or black ink on the top left corner of your corrected "as if" return.
- Schedule WFC or WFC-N/P.
- A copy of your federal and/or state's audit report if you amended your return due to an audit.
- Other forms or schedules as required.

Note: Do not attach a copy of your original Oregon return.

Where do I send my amended tax return?

Either electronically file your amended return, or mail it to the appropriate address.

Refund or no-tax-due returns: Mail tax-to-pay returns:

REFUND
PO Box 14700
Salem OR 97309-0930

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