

Income/Franchise:

Oregon DOR Explains New Law Creating Fiscal Year Filings of Commercial Activity Tax Returns

Legislation Allows Fiscal Year Filing for CAT, Or. Dept. of Rev. (8/11/21). Addressing recently enacted legislation [see *S.B. 164* (2021) and previously issued Multistate Tax Alert for details on new law in Oregon that modifies various provisions of the Oregon corporate activity tax related to fiscal year filings, insurance companies, and other exemptions and definitions], the Oregon Department of Revenue (Department) explains that businesses filing on a fiscal year-end that are subject to Oregon's corporate activity tax (CAT) will be required to file fiscal-year returns beginning with the 2021 tax year. According to the Department, the legislation adopts a fiscal-year filing requirement for CAT taxpayers who use a fiscal tax year rather than the calendar year for federal tax purposes, requiring fiscal year-end taxpayers to file a short-year CAT return covering January 1, 2021 through the end of their fiscal tax year. This short-year return will be due by April 15, 2022. The Department is developing administrative rules related to the recent CAT law changes and states that more details on the amendments are forthcoming. The Department has issued a summary of the changes enacted under S.B. 164 (2021) which are outlined in its "fact sheet." Please contact us with any questions.

URL: <https://www.oregon.gov/newsroom/Pages/NewsDetail.aspx?newsid=64247>

URL: <https://olis.oregonlegislature.gov/liz/2021R1/Downloads/MeasureDocument/SB164/Enrolled>

URL: <https://www2.deloitte.com/content/dam/Deloitte/us/Documents/Tax/us-tax-mta-oregon-enacts-modifying-provisions-of-the-corporate-activity-tax.pdf>

URL: <https://www.oregon.gov/dor/programs/businesses/Documents/SB164-Summary-Final.pdf>

— Scott Schiefelbein (Portland)
Managing Director
Deloitte Tax LLP
sschiefelbein@deloitte.com

Sara Clear (Minneapolis)
Manager
Deloitte Tax LLP
sclear@deloitte.com

This document contains general information only and Deloitte is not, by means of this document, rendering accounting, business, financial, investment, legal, tax, or other professional advice or services. This document is not a substitute for such professional advice or services, nor should it be used as a basis for any decision or action that may affect your business. Before making any decision or taking any action that may affect your business, you should consult a qualified professional advisor. Deloitte shall not be responsible for any loss sustained by any person who relies on this document.

About Deloitte

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee ("DTTL"), its network of member firms, and their related entities. DTTL and each of its member firms are legally separate and independent entities. DTTL (also referred to as "Deloitte Global") does not provide services to clients. In the United States, Deloitte refers to one or more of the US member firms of DTTL, their related entities that operate using the "Deloitte" name in the United States and their respective affiliates. Certain services may not be available to attest clients under the rules and regulations of public accounting. Please see www.deloitte.com/about to learn more about our global network of member firms.