

Income/Franchise:

Oregon: Amended Law Requires Estimated Payments on Elective Pass-Through Entity-Level Tax

S.B. 1524, signed by gov. 3/24/22. Effective on the 91st day after the date on which the 2022 regular session of the 81st Legislative Assembly adjourns sine die, a recently enacted statutory amendment requires estimated tax payments to be made on Oregon's new elective pass-through entity level tax (PTE-E), which is a business alternative income tax based on the amount of an eligible pass-through entity's distributive proceeds [see S.B. 727 (2021) and previously issued Multistate Tax Alert for more details on this new law]. This new PTE-E estimated payment requirement generally applies to tax years beginning on or after January 1, 2022 for estimated payments due on and after June 15, 2022. Additionally, the Oregon Department of Revenue may not impose penalties or interest for underpayments of estimated tax resulting from the operation of this amendment. Please contact us with any questions.

URL: <https://olis.oregonlegislature.gov/liz/2022R1/Measures/Overview/SB1524>

URL: <https://olis.oregonlegislature.gov/liz/2021R1/Measures/Overview/SB727>

URL: <https://www2.deloitte.com/content/dam/Deloitte/us/Documents/Tax/us-tax-mta-oregon-enacts-temporary-elective-pass-through-entity-business-alternative-income-tax.pdf>

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