The following spreadsheet was created by Price Fronk & Co. based on the law prescribed in HB3427, as modified by HB2164. This is prior to any Oregon Department of Revenue administrative rules or clarification.

For any questions, feel free to contact us at 541-382-4791.

Company Name
CAT Worksheet
12/31/2018

A taxpayer's gross receipts are sourced using the state's existing corporate income tax apportionment regime. The CAT is imposed upon businesses with "substantial nexus" in Oregon, a term that covers both traditional physical presence nexus criteria and a "bright line presence" economic nexus standard. Under this "bright line presence" standard, companies have nexus under the CAT if they have at least $50,000 in Oregon payroll or property, $750,000 in Oregon sales, or if they have at least 25 percent of their total payroll, property, or sales in the state. Businesses with at least $750,000 in Oregon sales are expected to register with the Department of Revenue (DOR), but will not have a CAT liability until they reach $1 million in Oregon revenues. Once you have a liability, the CAT will included property transfers into the state. Additionally, combined filing is required for businesses that have more than 50% common ownership.

There are 43 types of excludible receipts under the corporate activity tax. Examples of excludible gross receipts for most industries include:

1. Interest income (other than interest on credit sales)
2. Receipts from the disposition of IRC Sec 1221 and 1231 assets
3. Dividends
4. A partner/shareholder's distributive share of income from a pass-through entity
5. Sales to Oregon wholesalers who certify that the property will be resold outside of Oregon
6. Intercompany transactions among members of a unitary group

Gross receipts	$ 10,322,052.08	*if multi-state - include total revenue on this line. Otherwise, this total should match the line below.*
Oregon exclusive receipts	$ 10,322,052.08	*If multi-state - use the current revenue allocations for income apportionment.*

You are allowed some subtraction to the CAT. The apportioned subtraction cannot exceed 95 percent of a taxpayer's Oregon-sourced receipts. The 35 percent subtraction from Oregon-sourced gross receipts applies to the greater of:

Enter total cost amount for the following:

Cost of inputs	$ 6,540,879.50	*defined as cost of goods sold under Internal Revenue Code Sec. 471*
Cost of labor	$ 1,777,631.82	*defined as the total compensation of all employees, excluding compensation exceeding $500,000 for any single employee*

Company Name
CAT Worksheet
12/31/2018

Choose your subtraction method

Cost of inputs

Tax Calculation

Oregon exclusive receipts		$ 10,322,052.08	
Revenue exclusion		1,000,000.00	
Total taxable receipts		9,322,052.08	*if line is negative - you don't owe any tax*
Subtractions			
Cost of inputs	6,540,879.50		
Multiply by 35%	35%	2,289,307.83	
Total taxable		7,032,744.26	
Corporate activity tax	0.5700%	40,086.64	*taxable receipts by applicable tax rate, less subtractions.*
Plus $250		250.00	
Total tax		40,336.64	
Total tax to report annually		$ 40,336.64	

Tax returns must be filed annually, with quarterly estimated payments required.

	Q1	Q2	Q3	Q4
Amount to be paid	$ 10,084.16	$ 10,084.16	$ 10,084.16	$ 10,084.16
Amounts paid				