

# 2018 Schedule OR-ASC



Office use only

## Oregon Adjustments for Form OR-40 Filers

*Submit original form—do not submit photocopy.*

First name and initial	Last name	Social Security number (SSN) — —
Spouse's first name and initial	Spouse's last name	Spouse's SSN — —

Use Schedule OR-ASC to claim any of the following that aren't included on Form OR-40:

- Additions.
- Subtractions.
- Standard credits.
- Carryforward credits.
- Refundable credits.

Identify the code you're claiming and enter the information requested in the corresponding section. Enter the total from each section on the line indicated for Form OR-40.

For more information, refer to the instructions or Publication OR-17.

### Section 1: Additions (codes 103–184)

	Code		Amount
1a.	<input style="width: 20px;" type="text"/>	1b.	<input style="width: 100px;" type="text" value=".00"/>
1c.	<input style="width: 20px;" type="text"/>	1d.	<input style="width: 100px;" type="text" value=".00"/>
1e.	<input style="width: 20px;" type="text"/>	1f.	<input style="width: 100px;" type="text" value=".00"/>
1g.	<input style="width: 20px;" type="text"/>	1h.	<input style="width: 100px;" type="text" value=".00"/>
1i.	<input style="width: 20px;" type="text"/>	1j.	<input style="width: 100px;" type="text" value=".00"/>
Enter total on Form OR-40, line 8			<input style="width: 100px;" type="text" value=".00"/>

### Section 2: Subtractions (codes 300–360)

	Code		Amount
2a.	<input style="width: 20px;" type="text"/>	2b.	<input style="width: 100px;" type="text" value=".00"/>
2c.	<input style="width: 20px;" type="text"/>	2d.	<input style="width: 100px;" type="text" value=".00"/>
2e.	<input style="width: 20px;" type="text"/>	2f.	<input style="width: 100px;" type="text" value=".00"/>
2g.	<input style="width: 20px;" type="text"/>	2h.	<input style="width: 100px;" type="text" value=".00"/>
2i.	<input style="width: 20px;" type="text"/>	2j.	<input style="width: 100px;" type="text" value=".00"/>
Enter total on Form OR-40, line 13			<input style="width: 100px;" type="text" value=".00"/>

### Section 3: Standard credits (codes 802–815)

	Code		Amount		Code
3a.	<input style="width: 20px;" type="text"/>	3b.	<input style="width: 100px;" type="text" value=".00"/>	3c.	<input style="width: 20px;" type="text"/>
3d.	<input style="width: 20px;" type="text"/>	3e.	<input style="width: 100px;" type="text" value=".00"/>	3f.	<input style="width: 20px;" type="text"/>
3g.	<input style="width: 20px;" type="text"/>	3h.	<input style="width: 100px;" type="text" value=".00"/>	3i.	<input style="width: 20px;" type="text"/>
3j.	<input style="width: 20px;" type="text"/>	3k.	<input style="width: 100px;" type="text" value=".00"/>	3l.	<input style="width: 20px;" type="text"/>
3m.	<input style="width: 20px;" type="text"/>	3n.	<input style="width: 100px;" type="text" value=".00"/>	3o.	<input style="width: 20px;" type="text"/>
Enter total on Form OR-40, line 25			<input style="width: 100px;" type="text" value=".00"/>	<small>State abbreviation (if claiming code 802 or 815)</small>	

### Section 4: Carryforward credits (codes 835–871)

	Code		Amount from prior year		Amount awarded this year		Total used this year
4a.	<input style="width: 20px;" type="text"/>	4b.	<input style="width: 100px;" type="text" value=".00"/>	4c.	<input style="width: 100px;" type="text" value=".00"/>	4d.	<input style="width: 100px;" type="text" value=".00"/>
4e.	<input style="width: 20px;" type="text"/>	4f.	<input style="width: 100px;" type="text" value=".00"/>	4g.	<input style="width: 100px;" type="text" value=".00"/>	4h.	<input style="width: 100px;" type="text" value=".00"/>
4i.	<input style="width: 20px;" type="text"/>	4j.	<input style="width: 100px;" type="text" value=".00"/>	4k.	<input style="width: 100px;" type="text" value=".00"/>	4l.	<input style="width: 100px;" type="text" value=".00"/>
4m.	<input style="width: 20px;" type="text"/>	4n.	<input style="width: 100px;" type="text" value=".00"/>	4o.	<input style="width: 100px;" type="text" value=".00"/>	4p.	<input style="width: 100px;" type="text" value=".00"/>
4q.	<input style="width: 20px;" type="text"/>	4r.	<input style="width: 100px;" type="text" value=".00"/>	4s.	<input style="width: 100px;" type="text" value=".00"/>	4t.	<input style="width: 100px;" type="text" value=".00"/>
Enter total on Form OR-40, line 28							<input style="width: 100px;" type="text" value=".00"/>

### Section 5: Refundable credits (codes 890–895)

	Code		Amount
5a.	<input style="width: 20px;" type="text"/>	5b.	<input style="width: 100px;" type="text" value=".00"/>
5c.	<input style="width: 20px;" type="text"/>	5d.	<input style="width: 100px;" type="text" value=".00"/>
5e.	<input style="width: 20px;" type="text"/>	5f.	<input style="width: 100px;" type="text" value=".00"/>
Enter total on Form OR-40, line 35			<input style="width: 100px;" type="text" value=".00"/>

**— You must include this schedule with your Oregon income tax return —**

## New information

### Additions

- **Oregon 529 College Savings Plan withdrawals.** If you withdrew funds from an Oregon 529 College Savings Network plan for the enrollment or attendance at an elementary or secondary (K-12) school, you must report an addition (code 117) for the amount you previously subtracted from your income and for the earnings on the withdrawal. For more information, see “Oregon 529 College Savings Plan deposits” and Publication OR-17.
- **Repatriated foreign income.** There is a new addition if you repatriated deferred foreign income in 2018. See the “Additions” section and Publication OR-17 for more information.

### Subtractions

- **Special Oregon medical subtraction.** For tax year 2018, you or your spouse must be age 65 or older on December 31, 2018 to qualify for the subtraction.
- **Oregon 529 College Savings Network and ABLE Account limits.** Contribution limits have increased to \$4,750 for taxpayers filing joint returns and \$2,375 for all others. For more information, see Publication OR-17.

### Credits

- **Working family household and dependent care (WFHDC) credit.** If you are not married and you paid dependent care expenses while you attended school, these expenses may now qualify for the WFHDC credit. For more information see the instructions for Schedule OR-WFHDC.
- **College Opportunity Grant Tax Credit Auction.** There was a new tax credit auction in tax year 2018. If you made a contribution to the Oregon Opportunity Grant Fund through the tax credit auction, see Publication OR-17 for additional information. If you claim this credit, don't include the amount you paid as an itemized deduction on your Oregon return. See the instructions for Schedule OR-A.
- **Bovine manure production/collection credit.** There is a new transferable tax credit available for the 2018 tax year for producers or collectors of bovine manure who use the manure as biofuel in Oregon. See Publication OR-17 for more information.
- **Expired credit.** The biomass production or collection credit expired on December 31, 2017. You can only claim this credit if you have a carryforward amount from a previous year.

## Form instructions

If you have more items than will fit on a single schedule, provide the codes and amounts on additional schedules and add the total on your tax return. Include all the schedules with your Form OR-40.

If you're claiming multiple items (additions, subtractions, or credits) with the same code, report the items together. **Enter the code only once and add the claimed amounts together.**

Round all cents to the nearest dollar. For example, \$99.49 becomes \$99, and \$99.50 becomes \$100.

A list of the codes can be found at the end of these instructions in Publication OR-CODES. These instructions have explanations of the most common items. See Publication OR-17 for more details and explanations of other items.

### Section 1: Additions (codes 103–184)

Additions are items the federal government doesn't tax but Oregon does. For detailed information, see Publication OR-17.

Step 1: Complete the table in Section 1 with the code and amount reported for each addition. Each code should only be listed once.

Step 2: Fill in the total of all additions. Enter this amount on Form OR-40, line 8.

**Interest and dividends on other state government bonds [code 158].** You must claim an addition for interest and dividends that you earned from state or local government bonds outside of Oregon. Because this income is not taxable on your federal return, you must add it to your Oregon return. Do not include interest or dividends from government bonds within Oregon.

**Repatriated foreign income [code 184].** Did you repatriate deferred foreign income in 2018? If so, the income must be reported on your Oregon return, even if it wasn't actually received during the year. You must claim an addition for the amount of this income that was deducted on your federal return. See Publication OR-17 for more information.

### Section 2: Subtractions (codes 300–360)

Subtractions are items the federal government taxes but Oregon doesn't. See below for information regarding commonly claimed subtractions. For detailed information, see Publication OR-17.

Step 1: Complete the table in Section 2 with the code and amount reported for each subtraction that isn't listed on the return. Each code should only be listed once.

Step 2: Fill in the total of all subtractions. Enter this amount on Form OR-40, line 13.

**Federal pension income [code 307].** You may be able to subtract some or all of your taxable federal pension included in 2018 federal income. This includes retirement benefits paid to the retiree or the beneficiary. It does not include disability payments if you have not reached the minimum retirement age. The subtraction amount is based on the number of months of federal service or points earned before and after October 1, 1991:

- **If all your months of federal service or points were before October 1, 1991,** subtract 100 percent of the taxable amount of federal pension income you reported on your federal return.
- **If you have no months of service or points before October 1, 1991,** you cannot subtract any federal pension income.
- **If your service or points occurred both before and after October 1, 1991,** subtract a percentage of the taxable federal pension income you reported on your federal return. To determine your percentage, divide your months of service or points earned before October 1, 1991, by your total months of service or points earned. Round to three places (example: 0.4576 = 45.8 percent). Once you determine your percentage, it will remain the same year to year.

For more than one pension, figure the percentage and subtraction amount separately for each pension. Add the separate amounts together to be reported on one line of Schedule OR-ASC.

Federal pension subtraction formula:

$$\frac{\text{Months of service or points before 10/1/91}}{\text{Total months of service or points}} \times \text{Federal pension amount included in federal income} = \text{Oregon subtraction}$$

**Federal education credits (tuition and fees deduction) [code 308].**

*Note: This deduction was expired at the time this publication was printed. If Congress didn't reinstate this deduction, you aren't allowed a tuition and fees deduction for Oregon.*

Did you claim the American Opportunity or Lifetime Learning credit on your federal return? If so, you may qualify for this subtraction if you were not allowed a federal tuition and fees deduction because you claimed the federal credit. Because Oregon does not have credits similar to the American Opportunity or Lifetime Learning credits, you can deduct the federal tuition and fees deduction on your Oregon return up to the amount you would have been allowed on your federal return. You can claim the lesser of the federal limit (\$4,000 or \$2,000, depending on your income) or your actual expenses. You can't claim the deduction if:

- You file married filing separately;
- You can be claimed as a dependent by another person;
- Your federal modified adjusted gross income is more than \$80,000 (\$160,000 if filing married filing jointly); or

- You already subtracted these expenses as a tuition and fees deduction on your federal return.

**Interest and dividends on U.S. bonds and notes [code 315].** Subtract interest and dividends from qualifying U.S. bonds reported on your federal return, such as interest from U.S. Series EE and I Bonds. See Publication OR-17 for a complete list of qualifying bonds and notes.

**Oregon 529 College Savings Plan deposits [code 324].** You can subtract deposits made to an Oregon 529 College Savings Plan. The combined total claimed under the ABLE account deposits subtraction and the Oregon 529 College Savings Plan deposit subtraction cannot exceed \$4,750 for joint returns (\$2,375 for all other returns). If you contribute more than your limit, you can carry forward the remaining contribution not subtracted over the next four years. Rollovers from other 529 plans into an Oregon 529 plan are considered new contributions and qualify for the subtraction as long as they were not previously included in an Oregon subtraction.

If you withdrew funds from an Oregon 529 College Savings Network plan for nonqualified purposes, you must report an addition (code 117) for the amount you previously subtracted from your income and for the earnings on the withdrawal. Expenses used for the enrollment or attendance at an elementary or secondary (K-12) school are considered nonqualified withdrawals.

Keep a copy of your account statement with your tax records. For more information, go to [www.oregoncollegesavings.com](http://www.oregoncollegesavings.com) or call 1 (866) 772-8464.

**Special Oregon medical subtraction [code 351].** If you or your spouse were age 65 or older on December 31, 2018 and have qualifying medical and/or dental expenses, you may qualify for the special Oregon medical subtraction. See the 2018 IRS Publication 502 for types of qualifying medical and dental expenses. You cannot subtract medical and dental expenses:

- For anyone under age 65;
- For dependents, regardless of their age; or
- That have already been deducted on your return.

You may not claim a subtraction if your federal adjusted gross income (AGI) exceeds \$200,000 (\$100,000 for those who file single or married filing separately). Use the special Oregon medical subtraction worksheet to determine the amount of your subtraction.

**Shared expenses.** Did you have medical expenses or dental expenses for more than one person? If so, you must determine which expenses belong to each qualifying taxpayer. Start by totaling all expenses for each qualifying taxpayer. If you have expenses that are for more than one person, such as insurance premiums, split the expense by the most reasonable method. For example, two qualifying taxpayers filing jointly who paid \$4,000 in insurance premiums during the year would split the expenses in half, or \$2,000 each. For more information and examples on how to split shared expenses, see Publication OR-17.

**Special Oregon medical subtraction worksheet instructions**

For worksheet lines 1 through 7, complete column A for yourself first and then complete column B for your spouse using the following instructions.

**Line 1: Medical and dental expenses for each taxpayer**—If you were age 65 or older on December 31, 2018, enter your total qualifying medical and dental expenses. See “Shared expenses” for information about splitting expenses, such as insurance premiums. If your medical expenses aren’t included in your Oregon itemized deductions or you’re claiming the standard deduction on your Oregon return, skip lines 2–4, enter the amount from line 1 on line 5, and go to line 6. If you don’t have qualifying expenses or were not age 65 or older on December 31, 2018—**stop**. You don’t qualify for the subtraction. Complete column B for your spouse to see if they qualify for the subtraction based on their expenses.

**Line 2: Total medical and dental expenses**—Enter the total medical and dental expenses claimed as an itemized deduction (Schedule OR-A, line 1).

**Line 3:** Divide line 1 by line 2 and round to three decimal places. For example, 0.7308 is rounded to 0.731.

**Line 4:** Enter the lesser of the medical and dental expenses claimed on line 1 of your Schedule OR-A or the amount claimed on line 3 of your Schedule OR-A.

**Line 5:** Multiply line 3 and line 4 and round to whole dollars. For example, \$101.49 is rounded to \$101.

**Line 6:** Enter the maximum allowable medical subtraction for your filing status and federal AGI from the maximum allowable medical subtraction table. Don’t enter more than \$1,800.

**Line 7:** Enter the lesser of line 5 or line 6.

**Line 8:** Add the amounts from line 7 column (A) and column (B). This is your special Oregon medical subtraction. Enter this amount on the Schedule OR-ASC, Section 2, using code 351.

**Special Oregon medical subtraction worksheet**

	Column (A) You	Column (B) Spouse
1. Medical and dental expenses for each qualifying taxpayer.	1. _____	1. _____
2. Total medical and dental expenses claimed (Schedule OR-A, line 1).	2. _____	2. _____
3. Divide line 1 by line 2 and round to three decimal places.	3. _____	3. _____

4. Enter the lesser of the expenses claimed on line 1 of your Schedule OR-A, or the amount on line 3 of your Schedule OR-A. 4. \_\_\_\_\_ 4. \_\_\_\_\_
5. Multiply line 3 by line 4 and round to whole dollars. 5. \_\_\_\_\_ 5. \_\_\_\_\_
6. Maximum allowable medical subtraction from the table. 6. \_\_\_\_\_ 6. \_\_\_\_\_
7. Enter the lesser of line 5 or line 6. 7. \_\_\_\_\_ 7. \_\_\_\_\_
8. Add line 7, columns (A) and (B), and enter the total. This is your special Oregon medical subtraction. 8. \_\_\_\_\_

If your filing status is:	And your federal adjusted gross income from Form OR-40, line 7 is:		Then your maximum allowable medical subtraction per taxpayer meeting the age requirement is:
	At least—	But less than—	
Married filing jointly; or	-0-	\$50,000	\$1,800
	\$50,000	\$100,000	\$1,400
Head of household; or	\$100,000	\$200,001	\$1,000
	\$200,001 or more		-0-
Qualifying widow(er)	-0-	\$25,000	\$1,800
	\$25,000	\$50,000	\$1,400
Single; or	\$50,000	\$100,001	\$1,000
	\$100,001 or more		-0-

**Example 1:** Brennan and Maggie were ages 66 and 65 on December 31, 2018. They are filing a joint return with a federal AGI of \$55,000 and are itemizing deductions for Oregon. In 2018, they paid \$5,700 in medical expenses that they claimed on Schedule OR-A. Of that, \$3,500 was for Brennan’s expenses, \$1,000 for Maggie’s expenses, and \$1,200 for Maggie’s mother who they claim as a dependent. Both Brennan’s and Maggie’s expenses qualify for the special Oregon medical subtraction. Since Maggie’s mother is a dependent, her expenses don’t qualify for the subtraction. Brennan and Maggie determine their subtraction as follows.

## Special Oregon medical subtraction worksheet

	Column (A) Brennan	Column (B) Maggie
1. Medical and dental expenses for each qualifying taxpayer.	1. <u>\$3,500</u>	1. <u>\$1,000</u>
2. Total medical and dental expenses claimed (Schedule OR-A, line 1).	2. <u>\$5,700</u>	2. <u>\$5,700</u>
3. Divide line 1 by line 2 and round to three decimal places.	3. <u>0.614</u>	3. <u>0.175</u>
4. Enter the lesser of the expenses claimed on line 1 of your Schedule OR-A, or the amount on line 3 of your Schedule OR-A.	4. <u>\$4,125</u>	4. <u>\$4,125</u>
5. Multiply line 3 by line 4 and round to whole dollars.	5. <u>\$2,533</u>	5. <u>\$722</u>
6. Maximum allowable medical subtraction from the table.	6. <u>\$1,400</u>	6. <u>\$1,400</u>
7. Enter the lesser of line 5 or line 6.	7. <u>\$1,400</u>	7. <u>\$722</u>
8. Add line 7, columns (A) and (B), and enter the total. This is your special Oregon medical subtraction.	8. <u>\$2,122</u>	

### Section 3: Standard credits (codes 802–815)

Standard credits are nonrefundable credits that can only be claimed on the current year's tax return. Credit amounts awarded and not used in the current tax year will be lost. If you have both standard credits and carryforward credits, use your standard credits first. For detailed information, see Publication OR-17.

- Step 1: Complete the table in Section 3 with credits you're claiming that have a code between 802–815. Fill in the code and the amount being claimed for each standard credit. Each code should only be listed once (unless you are claiming code 802 or 815 for multiple states; these should be listed on separate lines).
- Step 2: If you're claiming a credit for income taxes paid to another state on income that was also taxed by Oregon using code 802 or 815, enter that state's abbreviation in the corresponding box. If you aren't claiming this credit, leave this box blank.

Step 3: Fill in the total of all standard credits. Enter this amount on Form OR-40, line 25.

### Section 4: Carryforward credits (codes 835–871)

Carryforward credits are nonrefundable credits for which any unused portion in the current tax year may be carried forward to the following tax year. The number of years that a credit can be carried forward varies according to the carryforward rules of that credit. For detailed information, see Publication OR-17.

Step 1: Complete the table in Section 4 for credits you're claiming that have a code between 835–871. Fill in the carryforward codes in the order that you would like to claim the credits (usually this will be by listing the credits with earlier carryforward expirations first).

If you received the same credit in back-to-back years, or more than once in the same year, don't list the same code twice within the table. Instead, report these credits on the same line (see Example 3). Each code should only be listed once.

**List credits that are available to you even if you are not able to use them this year (see Example 4).**

Step 2: Fill in the total amount of the credit that could not be used in 2017 that was carried forward to tax year 2018, if any. Don't enter amounts used in 2017; only enter unused amounts from 2017. Enter the amount into the "Amount from prior year" column (see Example 3).

Step 3: Fill in the credit amount you were awarded in 2018, if any, in the "Amount awarded this year" column. Enter this amount even if this is more than the amount that can be used this year.

**If the total awarded amount of your credit can be claimed in one year,** enter the entire amount awarded in the "Amount awarded this year" column (see Example 2).

**If the total awarded amount of your credit must be claimed over multiple years,** enter only the portion that is allowed to be claimed in tax year 2018 (see Example 5).

Step 4: Fill in the credit amount you're using this year. The "Total used this year" box can't be more than the combined total of the "Amount from prior year" and the "Amount awarded this year" boxes. This amount also can't be more than any credit limitation for that credit. Any excess credit not used in 2018 may be carried forward to the following tax year if it doesn't expire according to the carryforward rules of the credit (see Example 6).

Step 5: Fill in the total of all carryforward credits being used. Enter this number on Form OR-40, line 28. The total of all carryforward credits can't be more than your tax reported on Form OR-40, line 27. If your carryforward credits are more than the tax

reported on line 27, you must reduce how much you are using on one or more of your carryforward credits. If you have more than one carryforward credit, consider using the maximum allowed on credits with earlier expirations first (see Example 6).

**Example 2.** In 2018, Neil and David received a \$25,000 credit for contributing to the Child Care Fund. For 2018, their tax reported on line 27 is \$16,500. Here's how they will complete the table:

Code	Amount from prior year	Amount awarded this year	Total used this year
841	\$0.00	\$25,000.00	\$16,500.00
	.00	.00	.00
	.00	.00	.00

Neil and David will carry forward \$8,500 (\$25,000–\$16,500) to tax year 2019.

**Example 3.** The same as example 2, except that Neil and David also contributed to the Child Care Fund in 2017. Their 2017 credit was \$10,000. They were able to use \$3,000 and carried forward \$7,000 to 2018. Here's how they will complete the table, reporting the 2017 and 2018 credits on the same line:

Code	Amount from prior year	Amount awarded this year	Total used this year
841	\$7,000.00	\$25,000.00	\$16,500.00
	.00	.00	.00
	.00	.00	.00

They will carry forward \$15,500 [(\$7,000+\$25,000)–\$16,500] of their 2018 credit to tax year 2019.

**Example 4.** Valerie and Tony received a \$6,000 credit for contributing to the University Venture Development Fund in 2018. Their 2018 tax reported on line 27 is \$0.00. Here's how they will complete the table:

Code	Amount from prior year	Amount awarded this year	Total used this year
864	\$0.00	\$6,000.00	\$0.00
	.00	.00	.00
	.00	.00	.00

They will carry forward \$6,000 to tax year 2019.

**Example 5.** Senait installed a solar heating system for her backyard swimming pool in 2017. She was awarded a \$6,000 residential energy tax credit. The provisions of this credit limit the amount that can be used each year to \$1,500, plus any amount carried forward from the previous year. Senait used \$1,000 in 2017. She may use up to \$2,000 in 2018, \$1,500 for the current year and \$500 from the prior year. She may also use \$1,500 in 2019 and \$1,500 in 2020.

Senait was also awarded a \$500 credit for participating in the College Opportunity Grant Tax Credit Auction. Her 2018 tax reported on line 27 is \$3,000. Here's how she will complete the table for 2018:

Code	Amount from prior year	Amount awarded this year	Total used this year
861	\$500.00	\$1,500.00	\$2,000.00
871	\$0.00	\$500.00	\$500.00
	.00	.00	.00

Even though Senait's tax reported on line 27 is \$3,000, she will only list \$2,000 of the residential energy credit that she is able to claim in 2018 and the \$500 college opportunity grant credit from 2018.

**Example 6:** Chad and Jolene have \$3,200 of unused child and dependent care credit originally awarded in 2015 that can be claimed in 2018. They also qualified for a 2017 residential energy credit of \$4,000, of which they may use up to \$1,500 in 2018 and \$1,000 in 2019. Their 2018 tax reported on line 27 is \$4,500.

Both of these credits have five year carryforward provisions. Because the child and dependent care credit carryforward expires in 2020 before the residential energy credit carryforward expires (in 2023 for the \$1,500 that can be claimed in 2018 and 2024 for the \$1,000 that can be claimed in 2019), they will use all of the \$3,200 child and dependent care credit first. Chad and Jolene will also use \$1,300 of the \$1,500 awarded for 2018 from their 2017 residential energy credit. Here's how they will complete the table.

Code	Amount from prior year	Amount awarded this year	Total used this year
840	\$3,200.00	\$0.00	\$3,200.00
861	\$0.00	\$1,500.00	\$1,300.00
	.00	.00	.00

Chad and Jolene are only able to use \$1,300 of the residential energy credit because their total amount used this year cannot equal more than their tax reported on line 27 [\$4,500–(\$3,200+\$1,300)]. The remaining \$200 (\$1,500–\$1,300) of the residential energy credit that cannot be used in 2018 will be carried forward to 2019.

## Section 5: Refundable credits (codes 890–895)

Refundable credits can only be claimed on your current year's tax return; however, any amount that is more than your tax will be refunded to you. For detailed information, see Scheduled OR-WFHDC or Publication OR-17.

Step 1: Complete the table in Section 5 with credits you're claiming that have a code between 890–895. Fill in the code and amount being claimed for each refundable credit. Each code should only be listed once.

Step 2: Fill in the total of all refundable credits. Enter this amount on Form OR-40, line 35.



Publication OR-CODES

**Numeric Codes for Oregon  
Adjustments, Additions, Subtractions, Modifications, and Credits**  
Effective for tax year 2018

Numeric codes are required when you are claiming or reporting an adjustment, addition, subtraction, modification, or credit on Schedule OR-ASC or OR-ASC-NP. If you have multiple items that use the same code, other than a credit for income taxes paid to another state, add them together and enter the total as a single item. Include Schedule OR-ASC or OR-ASC-NP when you file your return. (**Note:** For page numbers, see the item’s listing in the Publication OR-17 Index.)

<b>Adjustments—Schedule OR-ASC-NP, Section 1 only.</b>	<b>OR-40</b>	<b>OR-40-N</b>	<b>OR-40-P</b>	<b>Code</b>
Certain business expenses of reservists, performing artists, and fee-basis government officials—Form 1040, Schedule 1, Line 24		X	X	002
Health savings account deduction—Form 1040, Schedule 1, Line 25		X	X	003
Penalty on early withdrawal of savings—Form 1040, Schedule 1, Line 30		X	X	004
Write-in adjustments on Form 1040, Schedule 1, Line 36, or Form 1040NR, Line 34		X	X	005

<b>Additions—Schedule OR-ASC, Section 1 or OR-ASC-NP, Section 2.</b>	<b>OR-40</b>	<b>OR-40-N</b>	<b>OR-40-P</b>	<b>Code</b>
Claim of right income repayments	X			103
Disposition of inherited Oregon farmland or forestland	X	X	X	106
Federal election on interest and dividends of a minor child	X	X	X	107
Federal income tax refunds	X			109
Net operating loss—non-Oregon source	X	X	X	116
Oregon 529 college savings plan nonqualified withdrawal	X	X	X	117
Oregon deferral of reinvested capital gain	X	X	X	118
Partnership and S corporation modifications for Oregon	X	X	X	119
Business credit—unused	X	X	X	122
Federal subsidies for employer prescription drug plans	X	X	X	123
Federal law disconnect	X	X	X	131
Accumulation distribution from certain domestic trusts	X	X	X	132
Fiduciary adjustment from Oregon estates and trusts	X	X	X	133
Gambling losses claimed as an itemized deduction	X			134
Oregon-only Schedule A items	X			135
Refund of Oregon-only Schedule A items from a prior year	X			136
Individual development account nonqualified withdrawal	X	X	X	137
Oregon IDA Initiative Fund donation credit add-back	X			138
Lump-sum distribution from a qualified retirement plan	X	X	X	139
Passive foreign investment company income	X	X	X	140
Child Care Fund contributions	X			142
Oregon Production Investment Fund contributions	X			144
Renewable Energy Development Fund contributions	X			145
University Venture Development Fund contributions	X			146
Income taxes paid to another state	X	X	X	148
Basis of business assets transferred to Oregon	X	X	X	150
Depletion in excess of property basis	X	X	X	151

<b>Additions—Schedule OR-ASC, Section 1 or OR-ASC-NP, Section 2. (Continued from page 1)</b>	<b>OR-40</b>	<b>OR-40-N</b>	<b>OR-40-P</b>	<b>Code</b>
Depreciation difference for Oregon	X	X	X	152
Federal depreciation disconnect	X	X	X	153
Gain or loss on sale of depreciable property with different basis for Oregon	X	X	X	154
Passive activity losses	X	X	X	155
Suspended losses	X	X	X	156
Federal estate tax on income in respect of a decedent	X			157
Interest on state and local government bonds outside of Oregon	X	X	X	158
Federal subtraction for retirement savings rollover from individual development account	X	X	X	159
Charitable donations not allowed for Oregon	X			160
Nonresident capital loss carryovers	X	X	X	161
WFHDC medical expenses	X			163
ABLE account nonqualified withdrawal	X	X	X	164
College Opportunity Grant contributions	X			165
Repatriated foreign income	X	X	X	184

<b>Subtractions—Schedule OR-ASC, Section 2 or OR-ASC-NP, Section 3.</b>	<b>OR-40</b>	<b>OR-40-N</b>	<b>OR-40-P</b>	<b>Code</b>
American Indian	X	X	X	300
Artist's charitable contribution	X			301
Construction worker and logger commuting expenses	X	X	X	303
Federal gain previously taxed by Oregon	X	X	X	306
Federal pension income	X	X	X	307
Tuition and fees	X	X	X	308
Federal income tax from a prior year	X			309
Fiduciary adjustments from Oregon estates and trusts	X	X	X	310
Foreign tax	X			311
Individual development account contributions	X	X	X	314
Interest and dividends on U.S. bonds and notes	X	X	X	315
Land donation to educational institutions	X	X	X	316
Interest from state and local government bonds	X	X	X	317
Military active duty pay	X	X	X	319
Mortgage interest credit	X			320
Net operating loss for Oregon	X	X	X	321
Oregon lottery winnings	X	X	X	322
Partnership and S corporation modifications for Oregon	X	X	X	323
Oregon 529 college savings plan deposit	X	X	X	324
Oregon income tax refund		X	X	325
Previously taxed employee retirement plans	X	X	X	327
Public Safety Memorial Fund award	X	X	X	329
Railroad Retirement Board benefits: tier 2, windfall/vested dual, supplemental, and railroad unemployment benefits	X	X	X	330
U.S. government interest in IRA or Keogh distributions	X	X	X	331
Scholarship awards used for housing expenses	X	X	X	333
Legislative Assembly salary and expenses	X	X	X	335
Film production labor rebate—Greenlight Oregon Labor Rebate Fund	X	X	X	336



<b>Subtractions—Schedule OR-ASC, Section 2 or OR-ASC-NP, Section 3.</b> (Continued from page 2)	<b>OR-40</b>	<b>OR-40-N</b>	<b>OR-40-P</b>	<b>Code</b>
Mobile home park capital gain	X	X	X	338
Capital Construction Fund (CCF) contributions	X	X	X	339
Federal business and health coverage credits	X	X	X	340
Income on a composite return		X	X	341
Oregon Investment Advantage	X	X	X	342
Mobile home tenant payment	X	X	X	344
Taxable benefits for former RDPs	X	X	X	347
Previously taxed IRA conversions	X	X	X	348
Discharge of indebtedness	X	X	X	350
Special Oregon medical	X	X	X	351
DISC dividend payments	X	X	X	352
Depreciation difference for Oregon	X	X	X	354
Gain or loss on sale of depreciable property with different basis for Oregon	X	X	X	355
Passive activity losses	X	X	X	356
Suspended losses	X	X	X	357
Basis of business assets transferred to Oregon	x	X	X	358
Marijuana business expenses not allowed on the federal return	X	X	X	359
ABLE account deposit	X	X	X	360

<b>Modifications—Schedule OR-ASC-NP, Section 4 only.</b>	<b>OR-40</b>	<b>OR-40-N</b>	<b>OR-40-P</b>	<b>Code</b>
Artist's charitable contribution			X	600
Federal income tax refunds		X	X	601
Federal tax from a prior year		X	X	602
Foreign tax		X	X	603
Gambling losses claimed as an itemized deduction +		X	X	604
Federal estate tax on income in respect of a decedent +		X	X	605
Federal mortgage interest credit		X	X	607
Federal business and health coverage credits		X	X	609
Child Care Fund contributions +		X	X	642
Oregon Production Investment Fund contributions +		X	X	644
Renewable Energy Development Fund contributions +		X	X	645
University Development Venture Fund contributions +		X	X	646
Oregon IDA Initiative Fund donation credit add-back +		X	X	648
Claim of right income repayment +		X	X	649
Charitable donations not allowed for Oregon +		X	X	650
WFHDC medical expenses +		X	X	651
College Opportunity Grant contributions +		X	X	652

+ Must be entered as a negative number.

<b>Standard credits—Schedule OR-ASC, Section 3 or OR-ASC-NP, Section 5.</b>	<b>OR-40</b>	<b>OR-40-N</b>	<b>OR-40-P</b>	<b>Code</b>
Income taxes paid to another state	X	X	X	802
Mutually-taxed gain on the sale of residential property	X	X	X	806
Oregon Cultural Trust contributions	X	PR	PR	807
Oregon Veterans' Home physicians	X	PR	PR	808
Political contributions		X	X	809
Reservation enterprise zone	X	PR	PR	810

<b>Standard credits—Schedule OR-ASC, Section 3 or OR-ASC-NP, Section 5. (Continued from page 3)</b>	<b>OR-40</b>	<b>OR-40-N</b>	<b>OR-40-P</b>	<b>Code</b>
Retirement income	X	X	X	811
Rural emergency medical technicians	X	PR	PR	812
Rural health practitioners	X	PR	PR	813
Pass-through income taxes paid to another state	X	X	X	815

<b>Carryforward credits—Schedule OR-ASC, Section 4 or OR-ASC-NP, Section 6.</b>	<b>OR-40</b>	<b>OR-40-N</b>	<b>OR-40-P</b>	<b>Code</b>
Agriculture workforce housing	X	PR	PR	835
Biomass production/collection carryforward	X	PR	PR	838
Business energy carryforward	X	X	X	839
Child and dependent care carryforward	X	PR	PR	840
Child Care Fund contributions	X	X	X	841
Crop donation	X	PR	PR	843
Electronic commerce zone investment	X	PR	PR	845
Employer-provided dependent care assistance carryforward	X	X	PR	846
Employer scholarship	X	PR	PR	847
Energy conservation projects	X	X	X	849
Fish screening devices	X	PR	PR	850
Oregon IDA Initiative Fund donation	X	X	X	852
Oregon Low Income Community Jobs Initiative/New Markets	X	X	X	855
Oregon Production Investment Fund contributions	X	X	X	856
Pollution control facilities carryforward	X	X	X	857
Renewable Energy Development Fund contributions carryforward	X	X	X	859
Renewable energy resource equipment manufacturing facility carryforward	X	X	X	860
Residential energy	X	PR	PR	861
Transportation projects	X	X	X	863
University Venture Development Fund contributions	X	PR	PR	864
Alternative Fuel Vehicle Fund contributions carryforward	X	X	X	865
Reforestation of underproductive forestlands	X	X	X	867
Rural technology workforce development	X	PR	PR	868
Bovine manure production/collection	X	PR	PR	869
College Opportunity Grant contributions	X	X	X	871

<b>Carryforward credits available only to S corporation shareholders.</b>				
Agriculture workforce housing loans (S corporation)	X	X	X	836
Alternative qualified research activities carryforward (S corporation)	X	X	X	837
Contribution of computers or scientific equipment for research carryforward (S corporation)	X	X	X	842
Lender's credit: affordable housing (S corporation)	X	X	X	854
Lender's credit: energy conservation carryforward (S corporation)	X	X	X	848
Long-term enterprise zone facilities carryforward (S corporation)	X	X	X	853
Qualified research activities carryforward (S corporation)	X	X	X	858

<b>Refundable credits—Schedule OR-ASC, Section 5 or OR-ASC-NP, Section 7.</b>	<b>OR-40</b>	<b>OR-40-N</b>	<b>OR-40-P</b>	<b>Code</b>
Claim of right	X	PR	PR	890
Mobile home park closure	X	X	X	891
Working family household and dependent care (WFHDC)	X	PR	PR	895

PR indicates a credit that must be prorated.