

### **Background**

The Department of Revenue has several options to grant relief under federal or state declarations of emergency, or when situations arise that impair the ability of taxpayers to meet their obligations. Some options and legal authority are described below.

### **Personal Income Tax**

At this time, taxpayers may still file an extension to file with the IRS, and the Oregon Department of Revenue will automatically grant an extension for the Oregon return. Taxpayers may file the [federal extension](#) Form 4868 prior to the due date. Both the federal and state extensions grant additional time to file, but are not extensions of payment due dates.

The department is tied to the Internal Revenue Service filing and payment due dates for personal income taxes. If the IRS declares the April 15th due date to be extended due to the COVID-19 pandemic, Oregon will automatically connect to those dates for personal income tax filers.

The department may also waive penalties under certain circumstances if a taxpayer is late in paying its tax obligation due to a circumstance beyond the taxpayer's control, such as a declared regional or national state of emergency.

Estimated payment due dates for personal income tax are not extended for Oregon, however Oregon law states that interest will not be imposed on an underpayment of estimated tax if the department determines that by reason of casualty, disaster, or other unusual circumstances the imposition of interest would be against equity and good conscience.

### **Corporate Activity Tax**

Initial quarterly payments for the new Corporate Activity Tax (CAT) are due April 30, 2020. The department understands that the pandemic may impact commercial activity, up or down, to an extent that makes it difficult for businesses to estimate their first payment. The department will not assess underpayment penalties to taxpayers making a good faith effort to estimate their first quarter payments.

### **Guidance to local governments on local budget law**

In its supervisory capacity for cities, counties, and other taxation districts relating to local budget law, the department reminds local authorities that they may request, in writing, that the assessor grant an extension of the July 15 deadline for certifying taxes.

Local governments must adopt their budgets by June 30; which cannot be extended. For alternative means of conducting a public meeting for purposes of gathering public input, please refer to the Oregon Department of Justice's Public Meeting Law Manual. Any alternate means of conducting public hearings must provide for public comment in real time.

### **All other tax programs Department of Revenue administers**

If an action of the IRS or a state-declared emergency will impair the ability of Oregon taxpayers (or the state) to take action required within the time required by law, the department may extend any statutory period of limitation on any tax that is collected by the Oregon Department of Revenue. If the department makes such a decision, an order will be issued and announced, and filed with the Secretary of State.