



ADMINISTRATIVE RULE REVIEW

Amended Rule	Rule No. 150-314-0485	Last Revised Date October 20, 2016
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Permanent Rule	NOTICE OF INTENDED ACTION	
	Bulletin Dated November 2016	Hearing Scheduled November 22, 2016

PURPOSE: Amend the rule to remove the references to the “Multiple Nonresident Income Tax Returns” and ORS 314.760. ORS 314.760 was repealed in 2005 and the multiple nonresident income tax return was replaced with the Oregon composite return (Form OR-OC) under ORS 314.778 starting with the 2005 tax year.

1 **150-314-0485**

2 **Partnership Information Returns**

3 (1) Partnership required to file. A partnership ~~shall~~must file for Oregon an information return of its
4 business activity and include other information as required by section (2) of this rule if the partnership:

- 5 (a) Has income that is derived from or connected with sources within Oregon; or
- 6 (b) Has one or more Oregon resident partners during the taxable year of the partnership.

7 (2) Information Required. Every partnership required to file a return under section (1) of this rule ~~shall~~
8 must file with Oregon:

- 9 (a) An Oregon Form ~~65-OR-65~~ (Oregon Partnership Return of Income).
- 10 (b) An Oregon Depreciation Schedule if Oregon depreciation is different than federal.
- 11 (c) A copy of federal Form 1065 (U.S. Partnership Return of Income) or federal Form 1065-B (U.S.
12 Return of Income for Electing Large Partnerships) and all attachments filed for federal. See section (3)
13 for information regarding ~~attachment~~ the submission of federal Schedule K-1s (Partner’s Share of
14 Income, Credits, Deductions, etc.).
- 15 (d) A schedule showing the disposition of all assets and liabilities if this is the final return of a terminated
16 partnership. The schedule ~~shall~~must include each asset’s Oregon adjusted basis and fair market value.

17 (3) ~~Attachment of~~ Federal Schedule K-1.

18 (a) The partnership ~~shall attach~~must include a copy of each partner’s federal Schedule K-1 if any of the
19 following occurs during the partnership’s taxable year:

- 20 (A) The partnership incurs a net loss (including capital losses or passive losses);
- 21 (B) There are changes to either the ownership structure or the profit/loss sharing percentages of the
22 partnership; or
- 23 (C) Any Oregon modifications or amounts shown on the federal Schedule K (including guaranteed
24 payments) are not divided according to each partner’s partnership share of profits and losses.



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- 1 (b) Exception. Partnerships that have no income connected with or derived from sources within Oregon
2 and have no activity within Oregon ~~shall~~must file a copy of the partner’s federal Schedule K-1 only
3 when:
- 4 (A) The partner was an Oregon resident partner at some time during the taxable year of the partnership;
5 and
- 6 (B) Any of the situations described in paragraph (3)(a) occur. All other filing requirements of section (2)
7 of this rule must still be satisfied.
- 8 (c) Substitute Schedule K-1. If the number of Schedule K-1s required to be ~~attached to~~included with the
9 Oregon return exceeds ten, the partnership ~~shall attach~~must include a summary of partner information in
10 lieu of ~~attaching~~submitting each partner’s Schedule K-1. The summary ~~shall~~must include ~~the each~~
11 partner’s names, social security numbers or federal identification numbers, addresses, and profit/loss
12 sharing percentages.
- 13 ~~(4) Multiple Nonresident Income Tax Returns. See ORS 314.760 for multiple nonresident income tax~~
14 ~~return filing requirements.~~
- 15 [Publications: Contact the Oregon Department of Revenue for information about how to obtain a copy
16 of the publication referred to or incorporated by reference in this rule pursuant to ORS 183.360(2) and
17 ORS 183.355(1)(b).]
- 18 **Stat. Auth.:** ORS 305.100
- 19 **Stats. Implemented:** ORS 314.724