# COMBINED TAX RETURN FOR INDIVIDUALS
## MULTNOMAH COUNTY BUSINESS INCOME TAX
## CITY OF PORTLAND BUSINESS LICENSE TAX

**2009 Calendar year** (explain if different tax year)

*DUE DATE: April 15, 2010 for calendar year filers*

**FORM SP-2009**

Reset Form

Name/Mailing Address: _____ Account #: _____

Amended Return? ☐

Ceased Portland/Multnomah Business? ☐ **(attach explanation)**

Social Security #_____ and FEIN # _____

***Please ✔ if address change:*** ☐ Federal Business Code _____

*Please notify Bureau if your business location changes* **Attach page 1 of federal Form 1040**

**SOLE PROPRIETORSHIP** ☐, **1 MEMBER LLC** ☐, **JT. VENT./TENANT-IN-COMMON** ☐ **(Check all that apply)**

1. Net Income or (Loss) from Federal Schedule C $0 (Attach all Schedule Cs)
2. Business Income Tax & Business License Tax Add Back $0
3. Net Income or (Loss) from Federal Schedule E, D, etc. $0 (Attach Schedule E, D, etc.)
4. Subtract ½ SE tax (see instructions) $0
5. Adjusted Net Income (total lines 1, 2, 3 and 4) $0
6. Compensation Allowance Deduction (see instructions) ($0) (# of owners 1)
7. Subject Net Income (line 5 minus line 6) $0

## Multnomah County Business Income Tax

Average Sum of Multnomah Employees in 2009 _____

8. County Gross Income = $1 = 100.0000% (If not liable, push Not MC Liable button)
   Total Gross Income* $1 **Not MC Liable**

***If less than $50,000, the taxpayer is exempt and should complete the Annual Exemption Request (see instructions if tenant-in-common).***

9. County Apportioned Net Income (line 7 x line 8) $0
10. Net Operating Loss Deduction (max 75% of line 9) ($0) *Must be entered as negative sum*
11. Income Subject to Tax (line 9 minus line 10) $0
12. Tax (line 11 x tax rate of 1.45%) **MINIMUM $100** $100
13. Prepayments ($0) *Must be entered as negative sum*
14. Penalty $0
15. Interest $0
16. Balance Due or (Overpayment) $100
17. Refund $0 Credit $0 Transfer to Portland $0

## City of Portland Business License Tax

Average Sum of Portland Employees in 2009 _____

18. Portland Gross Income = $1 = 100.0000% (If not liable, push Not PL Liable button)
    Total Gross Income* $1 **Not PL Liable**

***If less than $50,000, the taxpayer is exempt and should complete the Annual Exemption Request (see instructions if tenant-in-common).***

19. Portland Apportioned Net Income (line 7 x line 18) $0
20. Net Operating Loss Deduction (max 75% of line 19) ($0) *Must be entered as negative sum*
21. Income Subject to Tax (line 19 minus line 20) $0
22. Tax (line 21 x rate of 2.2%) **MINIMUM $100** $100
23. Prepayments ($0) *Must be entered as negative sum*
24. Penalty $0
25. Interest $0
26. Balance Due or (Overpayment) $100
27. Refund $0 Credit $0 Transfer to Multnomah $0

**Donation** to "Work for Art" Program $0

28. **Combined Amount Due with Report** (total lines 16 and 26) Check # _____ $200

**Make check payable to City of Portland, 111 SW Columbia St., Suite #600, Portland, OR 97201-5840.**

The undersigned declares that the information given on this report is true. The undersigned is authorized to act as a representative of the filer. Filers of incomplete returns (including returns that have not reported the Average Sum of Employees) may be subject to civil penalties of up to $500.

**Signature of Filer** _____ **Filer's Daytime Telephone** _____

**Signature of Preparer** _____ **Date** _____

**Preparer's Name/Address** _____ **Telephone** _____

**ATTACH CHECK HERE**

**REVENUE BUREAU (503) 823-5157** **FAX (503) 823-5192** **TDD (503) 823-6868**

(Rev. 12/23/2009)

The Revenue Bureau administers both the City of Portland Business License Tax Program and the Multnomah County Business Income Tax Program. Request further information or forms as needed from the Bureau at 111 SW Columbia, Suite #600, Portland, OR 97201-5840 or go to www.portlandonline.com/licenses. Lessors of 9 or fewer units of residential real estate may be exempt under PCC 7.02.400(F) and MCC 12.400(F).

## INSTRUCTIONS FOR INDIVIDUAL RETURN - 2009

*Note: Please enter your business code below your FEIN. You may find this code in Section B of your Schedule C. (Residential lessors limited to Schedule E and D enter a business code of 53111. Commercial lessors enter a business code of 53112.)*

1. Net Income is income after deductions for business expenses. Enter the sum of net income amounts from the federal 1040 Schedule C line 31 or Schedule C-EZ line 3.
2. Add back Multnomah County and City of Portland business income/license tax and other taxes measured by net income deducted to arrive at net income (line 1).
3. Enter the total income or (loss) from federal Schedule E line 26 (rental and royalty income). Gain and losses from sales of business assets (Schedule D), interest earned on installment contracts (Schedule B), and miscellaneous business incomes (from non-compete contracts, director fees, etc.) should also be included on this line.
4. Adjust for the following business expenses: Subtract ½ self-employment tax, qualified retirement plan payments and health care premium deductions (Form 1040 lines 27, 28 and 29) and add (or subtract) any Oregon modifications directly related to business activities.
6. A deduction of up to 75% of the total income (line 5) is allowed but cannot exceed $84,000 per owner. You may have two owners if both husband and wife materially participate in the business or if they jointly own rental property. No deduction is allowed if line 5 is a loss.

**Apportionment** (line 8 and line 18) **Multiple factor apportionment methods are not allowed**.

Gross income includes all income (gross receipts, service income, interest, dividends, income from contractual agreements, gross rents and gains on sale of business property) from activity within the City or County. With few exceptions, income in the City is also in Multnomah County. Income may be apportioned only if there is regular business activity outside the City/County. Services performed outside the City/County may be apportioned based upon percentage of performance outside the applicable jurisdiction. Sales of tangible personal property may be apportioned only if a business has payroll or property outside the jurisdiction.

## MULTNOMAH COUNTY BUSINESS INCOME TAX

**Multnomah Employees:** Enter average sum of full-time and part-time employees working in Multnomah County during tax year (including owner).

8. County gross income includes income from all activity within the County (see apportionment instructions above). Enter the gross income within the County as the numerator of the fraction and gross income everywhere as the denominator of the fraction. Divide to determine the percentage of Subject Net Income to apportion to Multnomah County. Round apportionment percentages to six places (xx.xxxx% or .xxxxxx).
10. Net Operating Losses (as previously reported on line 9 of prior combined returns) are allowed a maximum carryforward of five (5) years. The annual deduction cannot exceed 75% of the apportioned income for the current year.
13. Enter all prepayments (quarterly, extension payments and credit carried forward from prior years).
14. Enter all late and/or underpayment penalties that apply (see penalty calculation instructions below).
15. Interest on taxes not paid by the original due date (April 15 for calendar year taxpayers) is calculated at 10% per annum (.00833 x no. of months). Calculate interest from original due date to the 15th day of the month following the date of payment.
16. Total lines 12, 13, 14 and 15 to determine balance due or (overpayment) for Multnomah County Business Income Tax.
17. Overpayments may be refunded, credited forward or transferred between programs.

**Penalty calculation** (line 14 and line 24)

A penalty of 10% (5% late penalty plus 5% underpayment penalty) of the tax must be added if the report and tax are filed and paid past the due date. An additional penalty of 20% of the tax must be added if the report and tax is more than four months past due. Any report and tax which is delinquent three or more consecutive years accrues an additional 100% of the tax as penalty. No late penalty is due if a timely extension is filed with the Bureau and a return is filed by the extended due date. No underpayment penalty is due if a timely prepayment is made which is at least 90% of the total tax on line 12 (County) and at least 90% of the tax on line 22 (City), or 100% of the prior year's tax.

## CITY OF PORTLAND BUSINESS LICENSE TAX

**Portland Employees:** Enter average sum of full-time and part-time employees working in Portland during tax year (including owner).

18. Portland gross income includes income from all activity within Portland (see apportionment instructions above). Enter the gross income in Portland as the numerator of the fraction and gross income everywhere as the denominator of the fraction. Divide to determine the percentage of Subject Net Income to apportion to City of Portland. Round apportionment percentages to six places (xx.xxxx% or .xxxxxx).
20. Net Operating Losses (as previously reported on line 19 of prior combined returns) are allowed a maximum carryforward of five (5) years. The annual deduction cannot exceed 75% of the apportioned income for the current year.
23. Enter all prepayments (quarterly, extension payments, credit carried forward from prior years).
24. Enter all late and/or underpayment penalties that apply (see penalty calculation instructions above).
25. Interest on taxes not paid by the original due date (April 15 for calendar year taxpayers) is calculated at 10% per annum (.00833 x no. of months). Calculate interest from original due date to the 15th day of the month following the date of payment.
26. Total lines 22, 23, 24 and 25 to determine balance due or (overpayment) for the City of Portland Business License Tax.
27. Overpayments may be refunded, credited forward or transferred between programs. You may also apply a portion or all of your overpayment as a donation to the "Work for Art" program.* Transfers between programs occur as of the postmark date of request.

**28. If payment is due, make check payable to City of Portland.** Also include additional Work for Art donations on this line.
*A donation to "Work for Art," a program of the Regional Arts & Culture Council, may be made by reducing your refund due or by paying an amount in addition to the combined amount due. Any designated donation is final. Go to www.workforart.org for additional information.

**Tenant-in-common (TIC) arrangements and other joint ventures must consider the gross income of the entire activity to determine whether the gross receipts exemption applies. TICs and other joint ventures are not entitled to the residential rental exemption.**

*(If you choose to pay by check, you authorize the City of Portland, Revenue Bureau to convert your check to an electronic debit. Funds may be withdrawn from your account upon receipt, and you will not get your check back. Please call with questions, or to permanently opt out.)*

**ATTACH DETAILED SCHEDULES FOR NOL DEDUCTIONS OR OTHER DEDUCTIONS FROM INCOME**