COMBINED REPORT FORM
PORTLAND CITY BUSINESS LICENSE
MULTNOMAH COUNTY BUSINESS INCOME TAX
Taxable Year ____/____/____ to ____/____/____

C-02
(revised)

Name/Address:

Account #:

FEIN # _____

Please ✔ if address change: ☐ Mailing ☐ Location

Business Code _____ (see instructions)

Attach Oregon Tax Form 20 or 20-I pgs 1-4

CORPORATION

1. Net Income or (Loss) _____
2. Multnomah County Business Income Tax add back _____
3. Compensation (# of controlling shareholders ____) _____
4. Other additions or subtractions _____
5. Adjusted Net Income (total lines 1,2,3 and 4) _____
6. Compensation allowance deduction (_____)
7. Subject Net Income (line 5 minus line 6) _____

Multnomah County Business Income Tax

8. County Gross Income = _____ =_____._____
   Total Gross Income
9. County Apportioned Net Income (line 7 x line 8) _____
10. Net Operating Loss Deduction (max 75% of line 9) (_____)
11. Income subject to tax (line 9 minus line 10) _____
12. Tax (line 11 x tax rate of 1.45%) _____
13. Prepayments (_____)
14. Penalty _____
15. Interest _____
16. Balance Due or (Overpayment) _____
17. Refund _____ or Credit _____

City of Portland Business License Fee

18. Portland Gross Income = _____ =_____._____
    Total Gross Income
19. Portland Apportioned Net Income (line 7 x line 18) _____
20. Net Operating Loss Deduction (max 75% of line 19) (_____)
21. Income subject to fee (line 19 minus line 20) _____
22. Fee (line 21 x rate of 2.2%) **MINIMUM $100** _____
    a. Application Year Adjustment Fee (see instructions) _____
    b. Temporary rate increase (line 21 X 1.0%--no minimum) _____
23. Prepayments (_____)
24. Penalty _____
25. Interest _____
26. Balance Due or (Overpayment) _____
27. Refund _____ or Credit _____

28. **Combined amount due with report** (total lines 16 and 26) _____

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.

Signature of Filer _____ **Telephone ( )** _____

Signature of Preparer _____ **Date** _____

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

Bureau of Licenses (503) 823-5157 **FAX (503) 823-5192** **TDD (503) 823-6868**

Rev 4/03

The Bureau of Licenses administers both the Portland City Business License 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 access our World Wide Web site at http://www.pdxbl.org.

INSTRUCTIONS FOR CORPORATION RETURN - 2002

Note: Please enter your business code below your FEIN. This code is on line 2a of Schedule K from page 3 of federal form 1120.

1. Net Income is income reported to the State of Oregon before allocations and apportionment. Enter the figure from line 13 of the Oregon Form 20 (Excise Tax) or line 15 of the Oregon Form 20-I (Income Tax).
2. Add back Multnomah County business income taxes, and other income taxes, deducted to arrive at net income (line 1).
3. Add any compensation paid to controlling shareholders (individuals or families who together hold more than 5% of the stock). This includes wages, commissions, salaries (current and deferred), and interest. Enter the number of controlling shareholders.
4. Other additions or subtractions to net income may include partnership pass-throughs from partnerships already licensed by Portland or taxed by Multnomah County. A subtraction is allowed FOR COUNTY PURPOSES ONLY for Federal obligation interest taxed in Oregon. A schedule must be attached.
6. A deduction for compensation is allowed but cannot exceed the lesser of compensation paid (line 3), 75% of income (line 5), or $55,000 per controlling shareholder. 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 rentals 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 cost 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

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 Report Forms) 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. Identify overpayment for refund (not less than $15) or credit (any amount) for next tax year. Amount may be divided between the two.

Penalty calculation (line 14 and line 24)
A delinquent penalty of 5% of the fee/tax is due if the report and fee/tax are filed past the due date. An additional penalty of 20% of the fee/tax must be added if the report and fee/tax is 4 months or more past due. Any report and fee/tax, which is delinquent three or more consecutive years, accrues an additional 100% of the fee/tax as penalty. Underpayment penalties may also be due. No underpayment penalties are due if a timely prepayment is made which is 90% of the total fee/tax due on lines 12 or 22 (City minimum of $100), or 100% or the prior year's fee/tax.

CITY OF PORTLAND BUSINESS LICENSE FEE

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 the Subject Net Income to apportion to the 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 Report Forms) are allowed a maximum carryforward of five (5) years. The annual deduction cannot exceed 75% of the apportioned net income for the current year.
22. The minimum fee ($100) is not refundable once a license has been issued.

22a. The fee paid with the original license application is an estimated fee which must be adjusted based upon the taxable income of the first license year. If you have not previously made application for a business license, please attach one. Line 22a is only computed for your first year of business or if you are reinstating your business license after a lapsed period. Enter the fee as calculated on line 22, minimum $100.

22b. An additional temporary rate of 1% for taxable year 2002 has been enacted to assist in the funding of schools. This fee is in addition to fees computed on lines 22 and 22a.

23. Enter all prepayments (quarterly, extension payments, payments with application and credit carried forward from prior years).
24. Enter all late and/or underpayment penalties that apply (see penalty calculation instructions above).
25. Interest on fees 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, 22a, 22b, 23, 24 and 25 to determine balance due or (overpayment) for City of Portland Business License.
27. Identify overpayment for refund (not less than $15) or credit (any amount) for next tax year. Amount may be divided between the two.
28. **If payment is due, make check payable to City of Portland.**

ATTACH DETAIL SCHEDULES FOR NOL OR DEDUCTIONS