**COMBINED TAX RETURN FOR CORPORATIONS**

**MULTNOMAH COUNTY BUSINESS INCOME TAX**

**CITY OF PORTLAND BUSINESS LICENSE TAX**

**Taxable Year** ___/___/____ to ____/____/____

**DUE DATE:** 15th day of the 4th month following the taxable year end

(April 15, 2011 for calendar year filers)

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**Name/Mailing Address:**

**Account #:**

**Amended Return?**

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

**FEIN #** _________________

**Federal Business Code** _________________

**Attach Oregon Form 20 and pages 1-5 of federal Form 1120**

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**CITY OF PORTLAND BUSINESS LICENSE TAX**

**Average Sum of Portland Employees in 2010** __________

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**MULTNOMAH COUNTY BUSINESS INCOME TAX**

**Average Sum of Multnomah Employees in 2010** __________

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**CORPORATION**

1. **Net Income or (Loss)**

2. **Business Income Tax & Business License 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 (see instructions)**

   (____________________)

7. **Subject Net Income (line 5 minus line 6)**

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**Multnomah County Business Income Tax**

**Portland Gross Income**

**Total Gross Income**

*If total gross income is less than $50,000, the taxpayer is exempt and should complete the Annual Exemption Request (Form AER).*

**City of Portland Business License Tax**

**Portland Gross Income**

**Total Gross Income**

*If total gross income is less than $50,000, the taxpayer is exempt and should complete the Annual Exemption Request (Form AER).*

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**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.

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**Signature of Filer** ____________________________________________  **Signature of Preparer** ____________________________________________

**Filer’s Daytime Telephone** (       )  **Date**

**Preparer’s Name/Address** ____________________________________________  **Telephone** (       )

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**ATTACH CHECK HERE**

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

(Rev. 1/25/11)
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.

INSTRUCTIONS FOR CORPORATION RETURN – 2010 (S-CORPORATIONS SHOULD FILE FORM SC-2010)
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 and City of Portland business income/license tax and other taxes measured by net income 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. Enter the lesser of the following three amounts (1) the amount on line 3, (2) 75% of the amount on line 5, (3) the number of controlling shareholders multiplied by $84,000. 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.
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.xxxxx% 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.
17. Total lines 12, 13, 14 and 15 to determine balance due or (overpayment) for Multnomah County Business Income 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.
18. Portland gross income includes income from all activity within Portland (see apportionment instructions above). Enter the gross income within 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.xxxxx% 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 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.

(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.)