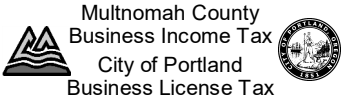


**COMBINED TAX RETURN  
FOR INDIVIDUALS**



**FORM SP-2020**  
2020 CALENDAR YEAR  
DUE DATE: APRIL 15, 2021

TAX YEAR  
From: 1/1/2020 to 12/31/2020

|   |  |
|---|--|
| ACCOUNT #<br>BZT-   | SOCIAL SECURITY #  |
| <input type="checkbox"/> FEDERAL EXTENSION<br><input type="checkbox"/> AMENDED RETURN | <input type="checkbox"/> CEASED BUSINESS<br>(attach explanation) |

OFFICIAL USE ONLY

|   |      |            |          |
|---|------|------------|----------|
| NAME  |      |            | NAICS    |
| MAILING ADDRESS <input type="checkbox"/> Check if changed | CITY | STATE/PROV | ZIP CODE |

**EXEMPTION**

Exempt - Multnomah County Only     Exempt - City of Portland Only     Exempt - Both Jurisdictions

Total Gross Business Income:  If over \$50,000 attach statement with explanation

**PART I - BUSINESS INCOME**

Attach Federal Form 1040 and Schedules.

For lines 1 through 5 below, the same number will generally be entered in both columns.

|  | Multnomah County            | City of Portland            |
|--|-----------------------------|-----------------------------|
| 1. Net Income or (Loss) from Federal Schedule C ( <b>Attach Schedule Cs</b> ) .....      | 1M <input type="text"/>     | 1P <input type="text"/>     |
| 2. Taxes Based On or Measured by Net Income Add-Back .....                               | 2M <input type="text"/>     | 2P <input type="text"/>     |
| 3. Net Income or (Loss) from Federal Schedule E, D, etc. ( <b>Attach E, D, etc.</b> ) .. | 3M <input type="text"/>     | 3P <input type="text"/>     |
| 4. Subtract Deductible SE Tax (see instructions for additions & subtractions) ...        | 4M <input type="text"/>     | 4P <input type="text"/>     |
| 5. Adjusted Net Income (sum of lines 1 through 4) .....                                  | 5M <input type="text"/>     | 5P <input type="text"/>     |
| 6. Owner's Compensation Deduction (see instructions) (# owners _____) .....              | 6M ( <input type="text"/> ) | 6P ( <input type="text"/> ) |
| 7. Subject Net Income (line 5 minus line 6) .....  | 7M <input type="text"/>     | 7P <input type="text"/>     |

(Carry the amount from line 7P to the second page of the form.)

**PART II - MULTNOMAH COUNTY BUSINESS INCOME TAX**

|  |                         |                             |
|--|-------------------------|-----------------------------|
| 8a. Multnomah County Gross Income .....  | 8a <input type="text"/> |                             |
| 8b. Total Gross Income .....   | 8b <input type="text"/> |                             |
| 8c. Apportionment Percentage (line 8a/8b, cannot be more than 1.0) .....           |                         | 8c <input type="text"/>     |
| 9. Multnomah County Apportioned Net Income (line 7M x line 8c) .....               |                         | 9 <input type="text"/>      |
| 10. Net Operating Loss Deduction (max 75% of line 9) .....                         | Enter as negative sum → | 10 ( <input type="text"/> ) |
| 11. Income Subject to Tax (line 9 minus line 10) .....                             |                         | 11 <input type="text"/>     |
| 12. Multnomah County Business Income Tax (line 11 x 2%) <b>MINIMUM \$100</b> ..... |                         | 12 <input type="text"/>     |
| 13. Prepayments .....  | Enter as negative sum → | 13 ( <input type="text"/> ) |
| 14. Penalty .....  |                         | 14 <input type="text"/>     |
| 15. Interest .....   |                         | 15 <input type="text"/>     |
| 16. Balance Due or (Overpayment) .....   |                         | 16 <input type="text"/>     |
| 17. Reserved .....   |                         |                             |

Enter the amount from line 7P on page 1 of the form here: 7P

**PART III - CITY OF PORTLAND BUSINESS LICENSE TAX**

Owners of residential property in Portland must attach Schedule R.

|   |     |                         |                          |
|---|-----|-------------------------|--------------------------|
| 18a. Portland Gross Income.....   | 18a | <input type="text"/>    |                          |
| 18b. Total Gross Income .....   | 18b | <input type="text"/>    |                          |
| 18c. Apportionment Percentage (line 18a/18b, cannot be more than 1.0) .....               | 18c |                         | <input type="text"/>     |
| 19. Portland Apportioned Net Income (line 7P x line 18c) .....                            | 19  |                         | <input type="text"/>     |
| 20. Net Operating Loss Deduction (max 75% of line 19) .....                               | 20  | Enter as negative sum → | ( <input type="text"/> ) |
| 21. Income Subject to Tax (line 19 minus line 20) .....                                   | 21  |                         | <input type="text"/>     |
| 22. Portland Business License Tax (line 21 x tax rate of 2.6%) <b>MINIMUM \$100</b> ..... | 22  |                         | <input type="text"/>     |
| 22a. Heavy Vehicle Use Tax (HVT) (see HVT Schedule) .....                                 | 22a |                         | <input type="text"/>     |
| 22b. Reserved .....   |     |                         |                          |
| 22c. Residential Rental Registration Fee (see Schedule R) .....                           | 22c |                         | <input type="text"/>     |
| 22d. Reserved .....   |     |                         |                          |
| 23. Prepayments .....   | 23  | Enter as negative sum → | ( <input type="text"/> ) |
| 24. Penalty .....   | 24  |                         | <input type="text"/>     |
| 25. Interest .....  | 25  |                         | <input type="text"/>     |
| 26. Balance Due or (Overpayment) .....  | 26  |                         | <input type="text"/>     |

**PART IV - TAX DUE / REFUND**

|  |     |                          |
|--|-----|--------------------------|
| 27. If the sum of line 16 and line 26 is negative, this is the amount you overpaid ..... | 27  | ( <input type="text"/> ) |
| 27a. Amount from line 27 you want refunded to you .....                                  | 27a | ( <input type="text"/> ) |
| For direct deposit of your refund, file your tax return online at Pro.Portland.gov.      |     |                          |
| 27b. Amount from line 27 you want applied to tax year 2021 .....                         | 27b | ( <input type="text"/> ) |
| 28. If the sum of line 16 and line 26 is positive, this is the amount you owe .....      | 28  | <input type="text"/>     |
| Make check payable to City of Portland. Check # _____                                    |     |                          |

**PART V - SIGNATURE**

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 may be subject to civil penalties of up to \$500.

Signature of Taxfiler \_\_\_\_\_ Date \_\_\_\_\_

Taxfiler Email \_\_\_\_\_ Taxfiler Phone Number ( ) \_\_\_\_\_

Signature of Preparer \_\_\_\_\_ Date \_\_\_\_\_

Preparer's Name \_\_\_\_\_ Preparer Phone Number ( ) \_\_\_\_\_

Mail completed tax return (with supporting tax pages and payment, if applicable) to:

Revenue Division  
111 SW Columbia St. Suite 600  
Portland, OR 97201-5840

Phone (503) 823-5157      FAX (503) 823-5192      TDD (503) 823-6868

## SP-2020 GENERAL INFORMATION

**Reminder:** Be sure to include the following federal tax pages (and statements) and Portland schedules with your SP-2020 Combined Tax Return (CTR):

- Federal Form 1040 (pages 1 and 2)
- Federal Schedule 1
- All Schedule Cs and statements (if filed)
- All Schedule Es and statements (if filed)
- All Schedule Fs and statements (if filed)
- All Schedule Ds and statements (if filed, including Form 4797, Form 6252, and Form 8824)
- All Schedule Bs and statements (if filed, and related to your business)
- Schedule OR-ASC or OR-ASC-NP (if claiming Oregon modifications)
- HVT Schedule, if required (Portland form)
- Schedule R, if required (Portland form)

If your only business activity is renting nine or fewer residential rental units, you may be exempt from Multnomah County's Business Income Tax.

Tenant-in-Common (TIC) arrangements and other joint ventures are no longer allowable filing methods. Starting with tax year 2020, the business income from these activities will be required to be reported to the Revenue Division at the owner level only.

## COMBINED TAX RETURN FILING INSTRUCTIONS

**Note:** In general, lines 1 through 7 should be the same for both columns (M and P).

**Line 1M/1P. Net Income or (Loss) from Federal Schedule C.** Enter the net income or loss of all Schedule C businesses reported on federal Form 1040, Schedule 1 line 3. Attach all Schedule C's (with statements) filed with the IRS.

**Line 2M/2P. Taxes Based on or Measured by Net Income Add Back.** Add back Portland Business License Tax, Multnomah County Business Income Tax, and other taxes based on or measured by net income that have been deducted to arrive at the net income reported on line 1M/1P. Both columns should include the total tax.

**Line 3M/3P. Net Income or (Loss) from Federal Schedule E, D, etc.** Enter the total net income or loss from:

- Schedule E, line 26, and
- Schedule F, line 34.

Gains and losses from sales of business assets (reported on Schedule D, Form 4797, and Form 6252), interest earned on installment contracts (reported on Schedule B), and other business income (from non-compete contracts, director fees, etc.) should also be reported on this line.

**Don't** include items that "pass-through" on federal Form K-1s from partnerships or S-Corporations.

Attach all Schedules (with statements) filed with the IRS, as well as Form 4797, Form 6252, and Form 8824, if filed.

**Line 4M/4P. Subtract Deductible SE Tax.** Subtract deductible self-employment tax, qualified retirement plan payments, and health care premium deductions (sum of Form 1040, Schedule 1, lines 14, 15, and 16). Enter any Oregon modifications (Oregon additions or subtractions reported on Oregon Schedule OR-ASC or OR-ASC-NP) that are directly related to your business activity.

**Don't** include any amounts that relate to self-employment income from a pass-through interest in a partnership or S-Corporation. These deductions are not associated with the sole proprietorship business activities.

**Line 6M/6P. Owner's Compensation Deduction.** A deduction of up to 75% of the adjusted net income reported on line 5M/5P is allowed, but it can't exceed \$127,000 per owner for Multnomah County and \$129,000 per owner for Portland.

You are allowed only one owner's compensation allowance deduction on a jointly filed return, unless:

- Both spouses have their own business,
- Both spouses materially participate in a joint business, or
- Any rental property is jointly owned by both spouses.

No deduction is allowed if line 5M/5P is a loss.

## APPORTIONMENT

For each jurisdiction, gross income includes all business income including, but not limited to, gross receipts, service income, interest, dividends, income from contractual agreements, gross rents, and gains on sale of business property.

With a few exceptions, income earned in Portland is also earned in Multnomah County. Income may be apportioned only if there is regular business activity outside Portland and/or Multnomah County. Services performed outside Portland and/or Multnomah County may be apportioned based upon the 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 jurisdictions.

## MULTNOMAH COUNTY BUSINESS INCOME TAX

**Line 8a. County Gross Income.** Multnomah County gross income includes income from all business activity within Multnomah County (see Apportionment instructions above).

**Line 8b. Total Gross Income.** Total gross income includes income from all business activity everywhere, as reported on your federal Form 1040.

**Line 8c. Apportionment Percentage.** Round to 6 decimal places. This line can't be more than 1.0.

**Line 10. Net Operating Loss Deduction.** Enter your net operating loss (NOL) from previous years as a negative number here. NOLs are allowed only if reported on prior CTRs. This line can't be greater than 75% of line 9. Any unused NOL may only be carried forward for five years.

**Line 13. Prepayments.** Enter the total amount of prepayments as a negative number here. This includes all quarterly payments, any extension payment made, and any credit carryforward from prior years.

**Line 14. Penalty.** Enter all late and/or underpayment penalties that apply (see instructions below).

**Line 15. Interest.** Enter any interest due on taxes not paid by the original due date (see instructions below).

**Line 16. Balance Due or (Overpayment).** Add line 12, line 13, line 14, and line 15 to determine if a balance due or an overpayment exists for your Multnomah County Business Income Tax.

**Line 17. Reserved.**

#### CITY OF PORTLAND BUSINESS LICENSE TAX

**Line 18a. Portland Gross Income.** Portland gross income includes income from all business activity within Portland (see Apportionment instructions above).

**Line 18b. Total Gross Income.** Total gross income includes income from all business activity everywhere, as reported on your federal Form 1040.

**Line 18c. Apportionment Percentage.** Round to 6 decimal places. This line can't be more than 1.0.

**Line 20. Net Operating Loss Deduction.** Enter your NOL from previous years as a negative number here. NOLs are allowed only if reported on prior CTRs. This line can't be greater than 75% of line 19. Any unused NOL may only be carried forward for five years.

**Line 22a. Heavy Vehicle Use Tax (HVT).** If you are subject to Portland's Heavy Vehicle Use Tax, enter the amount from line 4 of the HVT Schedule here.

**Line 22c. Residential Rental Registration Fee.** If you are subject to Portland's Residential Registration Fee, enter the amount due from the Schedule R here.

**Line 23. Prepayments.** Enter the total amount of prepayments as a negative number here. This includes all quarterly payments, any extension payment made, and any credit carryforward from prior years.

**Line 24. Penalty.** Enter all late and/or underpayment penalties that apply (see instructions below).

**Line 25. Interest.** Enter any interest due on taxes not paid by the original due date (see instructions below).

**Line 26. Balance Due or (Overpayment).** Add line 22, line 22a, line 22c, line 23, line 24, and line 25 to determine if a balance due or an overpayment exists for your City of Portland Business License Tax.

#### TAX DUE / REFUND

**Line 27. Overpayment.** If the sum of lines 16 and 26 is negative, this is the amount you have overpaid. If you have an overpayment, you may choose to have the balance:

- Refunded to you, or
- Credited forward to the next tax year.

If no election for the overpayment is made on the return, the overpayment will be refunded to you.

**Line 27a. Refund.** Enter the amount you would like refunded to you on this line.

**Line 27b. Credit Carryforward.** Enter the amount of any overpayment you would like applied to tax year 2021 in this box.

**Line 28. Combined Amount Due With Report.** If the sum of line 16 and line 26 is positive, a balance is due.

Make your check payable to 'City of Portland.'

#### PENALTY CALCULATION

A penalty of 10% (5% late filing penalty plus 5% underpayment penalty) of the tax must be added if the CTR and tax are filed and paid past the due date. An additional penalty of 20% of the tax must be added if the CTR is more than four months past due. Any CTR which is delinquent for three or more consecutive years accrues an additional penalty of 100% of the tax.

No late filing penalty is due if a timely extension is filed with the Revenue Division and a return is filed by the extended due date.

No underpayment penalty is due if timely prepayments are made which are either:

- At least 90% of the total tax due on line 12 (County) and line 22 (Portland), or
- 100% of the prior year's tax for each jurisdiction.

#### INTEREST CALCULATION

Interest is calculated at 10% per annum (.00833 multiplied by the number of months). Calculate your interest from the original due date to the 15<sup>th</sup> day of the month following the date of the payment.