

Amended Return <input type="checkbox"/> Form <h1 style="margin:0;">65</h1>	<h1 style="margin:0;">Oregon Partnership Return of Income</h1>	<h1 style="margin:0;">2012</h1>	For office use only Date received •
For calendar year 2012, or fiscal or short year			• Beginning: Mo Day Year • Ending: Mo Day Year

Please type or print clearly and answer all the questions below.

Name of partnership				Federal employer identification number (FEIN)	
Current mailing address				Oregon business identification number (BIN)	
City	State	ZIP code	Date activities started in Oregon	<input type="checkbox"/> Check if Form 24 is attached	<input type="checkbox"/> Check if you have federal Form 8886, a REIT, or a RIC

Check all applicable boxes: Final return Address change • Extension filed Mo Day Year
 Technical termination Initial return Name change • Extended due date
 Accounting period change (see question 1 instructions) Partnership has corporate partners

Type of entity: Partnership Limited partnership Limited liability co. Limited liability partnership Electing large partnership

1. Doing business in Oregon.

Did the partnership do business in Oregon during the year? **Yes** • tax is: \$ **150** .00
No • tax is: \$ **0** .00

If yes, attach payment and voucher Form 65-V to the front of this return unless already paid, such as with an extension. We will charge penalty and interest if tax is not paid by the due date.

Yes No

2. Requirement to file Oregon partnership return.

A. Does the partnership have income derived from sources in Oregon?
 B. Does the partnership have Oregon resident partners?

If no to both 2A and 2B, **STOP:** You are not required to file this return and the partnership does not owe the minimum tax.

3. Partner information.

A. Did the partners' profit/loss sharing percentages change during the year?
 B. Were the Oregon modifications **not** divided according to each partner's profit sharing percentage?
 C. Enter the number of partners: Total _____ Oregon residents _____ Nonresidents _____
 D. If there are nonresident owners, enter how many owners were included on a Form OC to report this income. _____

4. Prior year return.

Was a 2011 Oregon partnership return filed?
 If **no**, give the reason: _____
 If filed using a different name, give the name it was filed under: _____

5. Changes to a prior year partnership return during this tax year.

A. Did an IRS audit change a prior year return during the 2012 tax year?
 B. Was an amended federal return filed for a prior year?
 If you answered **yes** to 5A or 5B, what tax year(s) were changed? _____. Send us a copy of the federal revenue agent's report or the amended return separately from this return if not previously sent.

6. Business inside and outside of Oregon with out-of-state partners.

A. Did the partnership have business activity both inside and outside of Oregon during the year?
 B. Did the partnership have any partners who were not Oregon residents at any time during the year?
 If you answered yes to **both** 6A and 6B, use the Oregon apportionment percentage from Oregon Schedule AP, *Apportionment of Income for Corporations and Partnerships*, to figure Oregon source income. Attach the schedule.

7. Oregon tax credits.

Are any partners eligible for Oregon tax credits based on costs the partnership paid or incurred?
 If yes, identify the tax credits and include the personal income tax credit code:

— To ensure accurate processing, attach payments to the front of this return. —

8. Other taxing authorities.

- | | | |
|---|--------------------------|--------------------------|
| A. Do partnership employees perform services in the TriMet Transit District? | Yes | No |
| B. Do any partners have self-employment income from the partnership in the TriMet Transit District? | <input type="checkbox"/> | <input type="checkbox"/> |
| C. Do partnership employees perform services in the Lane Transit District? | <input type="checkbox"/> | <input type="checkbox"/> |
| D. Do any partners have self-employment income from the partnership in the Lane Transit District? | <input type="checkbox"/> | <input type="checkbox"/> |

If you answered **yes** to 8B and/or 8D, Form TM and/or Form LTD must be filed by the individual partners or the partnership may elect to file on the partners' behalf.

9. Who has the partnership books?

Name of partner who has the partnership books		Telephone number ()	
Street address	City	State	ZIP code

Schedule I—Oregon modifications to federal partnership income passed through to partners. Attach schedules to explain and compute the modifications. Check whether using Oregon or federal K-1s for reference. Indicate which federal or Oregon Schedule K-1 line item each modification is for.

Lines referenced are from: federal Schedule K-1 **OR** Oregon Schedule K-1

Additions—Items not included in federal partnership income which are taxable to Oregon.

1. Interest on government bonds of other states	(K-1 line _____)	1		
2. Gain on property transactions not deferred for Oregon	(K-1 line _____)	2		
3. Depreciation, see instructions	(K-1 line _____)	3		
4. Recognition of previously deferred capital gain.....		4		
5. Depletion in excess of property basis		5		
6. Gain or loss on sale of assets when Oregon basis is different from federal basis		6		
7. Other additions. Identify _____		7		

Subtractions—Items included in federal partnership income which are **not taxable** to Oregon.

8. U.S. government interest	(K-1 line _____)	8		
9. Gain on property transactions already taxed by Oregon		9		
10. Depreciation, see instructions	(K-1 line _____)	10		
11. Work opportunity credit	(K-1 line _____)	11		
12. Gain or loss on sale of assets when Oregon basis is different from federal basis		12		
13. Other subtractions. Identify _____		13		

Note: Generally, a partner's share of each Oregon modification is figured using the partner's profit/loss sharing percentage. A partner's share of each modification must be reported to the partner on their federal or Oregon Schedule K-1 or equivalent.

— Attach a complete copy of your 2012 federal partnership return —

Under penalty of false swearing, I declare that the information in this return and any attachments is true, correct, and complete.				
<p>➔</p> <p>Sign here</p> <p>Keep a copy of this return for your tax records</p>	Signature of general partner or LLC member	Signature of paid preparer	License number of preparer	
	Date	Date	Telephone number ()	
	Print name of general partner or LLC member	Print name of preparer		
	Title of general partner or LLC member	Address of preparer		

Attach federal Form 1065 or Form 1065-B and required schedules as indicated in instructions, and file the return on or before the 15th day of the fourth month after the close of the partnership's tax year. If required, attach payment and voucher to page 1.

Mail to:
Oregon Department of Revenue
PO Box 14260
Salem OR 97309-5060

Instructions for Form 65

Oregon Partnership Return of Income

Which partnerships must file Form 65?

- Every partnership having income derived from or connected with sources in Oregon.
- Every partnership having one or more Oregon resident partners.

Exception: Publicly traded partnerships taxed as corporations.

Note: Oregon follows federal filing guidelines. If you aren't required to file a federal partnership return, you don't file one for Oregon.

Example: A husband and wife partnership electing the qualified joint venture option doesn't file a federal partnership return; therefore they don't file an Oregon partnership return.

Partnership minimum tax

A partnership must pay the \$150 minimum tax if it's doing business in Oregon **and** required to file a partnership return. "Doing business" is performing a profit-seeking activity.

When a partnership is required to file additional returns due to a change in ownership, (such as for a technical termination), the tax is owed for **each** return. It is **not** prorated. When a short year return is filed only because of a change in accounting periods, the tax is prorated for the number of months in the short tax year.

For more information, go to our partnership information webpage at www.oregon.gov/dor/bus and click on "Partnership Taxes" on the left side. You can also review Oregon Revenue Bulletin #2010-02 at www.oregon.gov/dor/pages/bulletins.aspx.

Filing and payment deadlines

Returns and tax payments for the 2012 calendar year are due by April 15, 2013. Fiscal year returns are due by the 15th day of the fourth month after the end of the partnership's tax year. Estimated payments are **not** required.

Extension of time to file

If you filed a federal extension, you don't need an Oregon extension. If you need to file an Oregon extension, use voucher Form 65-V. Check the extension box on the voucher and send it in by the due date. An Oregon extension gives the same amount of time to file as a federal extension (usually 5 months).

An extension to file does **not** mean more time to pay. If you need to pay the \$150 minimum tax, check the extension box on voucher Form 65-V and send us the voucher and payment by the due date.

Business identification number (BIN)

This is a number we use to identify business taxpayers and employers. Some businesses have more than one BIN for different types of taxes. If you are an employer, you were assigned a BIN after you submitted your combined registration form. Otherwise, we assigned one when you filed or made a payment. We use your BIN on all notices. Using the correct BIN will result in faster and more accurate processing of your returns and payments. If you have never filed or made a payment before, leave the BIN blank.

What must be attached to the Oregon partnership return?

Submit this information with the return in the following order:

- A copy of federal Form 1065, *U.S. Return of Partnership Income*, or Form 1065-B, *U.S. Return of Income for Electing Large Partnerships*. Include all pages and supporting schedules (for example, Schedule M-3).
- Schedule AP, *Apportionment of Income for Corporations and Partnerships* (form 150-102-171), if you answered yes to questions 6A and 6B on Form 65.
- An *Oregon Depreciation Schedule* (form 150-101-025), if Oregon depreciation differs from federal depreciation.
- If this is the final partnership return, a schedule showing to whom all assets and liabilities were distributed, and each asset's adjusted basis, fair market value, and sales price.
- Federal Schedule K-1s, if less than 11 partners during the year. If you had more than 10 partners, attach a summary of partner information. Your summary must include each partner's name, SSN or FEIN, address, profit/loss sharing percentage, and Oregon modifications and credits. **We prefer summaries and K-1s on CD.** Label the CD with the entity's name, EIN, and tax year. If your CD is password protected, mail the password separately or e-mail it to files-partnership.dor@state.or.us. Include the partnership name and identification number with the password.
- Form 24, *Oregon Like-Kind Exchanges/Involuntary Conversions* if you had a 1031 exchange investing in out of state property.

Amending instructions

Complete the return as it should have been filed and check the box at the top. Attach an explanation of all corrections. There is no tax to pay or refund unless you change the answer to question 1 (doing business in Oregon).

Penalty and interest

The partnership will owe interest on any tax not paid by the due date. The 2013 interest rate is 4 percent per year and increases to 8 percent per year if not paid within 60 days of our billing notice.

The partnership will also owe a late payment penalty on any tax not paid by the due date. Other penalties may apply.

Partnership failure-to-file penalty

We may assess this if a partnership doesn't file a return or fails to provide information to us as required by law. The penalty is \$50 per month per partner for each month the return is late or incomplete, up to a maximum of five months.

Guaranteed payments

Guaranteed payments are treated as distributive shares of partnership income. For nonresident partners income attributable to Oregon sources is determined by applying the allocation and apportionment provisions to each nonresident's entire distributive share including guaranteed payments.

Individual income tax returns

Each partner's distributive share of net income (or loss) and separately stated items must be reported on that partner's individual income tax return.

Partners report their share of Oregon modifications (additions or subtractions) or credits on their tax return. The owner's modification or credit is based on the total for the business multiplied by their ownership percentage.

If there is a specific code for the Oregon modification or credit, the owner should use that code. Otherwise, they should use addition code 119, subtraction code 323, or credit code 736 to identify the Oregon modification or credit.

Examples: An LLC filing as a partnership has a subtraction for a difference in depreciation, so the owners use subtraction code 304, the specific code for that modification. An S corporation qualified for a lender's credit for affordable housing, so the owners use credit code 736 because there is no code for that credit.

Nonresident partners can join an *Oregon Composite Return*, Form OC, filed by the partnership or file their own return using Form 40N and instructions.

2013 Short tax year

Oregon follows federal filing requirements. Use this form for a short tax year that begins and ends in 2013, if the 2013 forms are not available by the due date. Remember that an extension to file does not change the due date of the tax.

Example: ABC Properties LLC is classified as a partnership and uses a calendar tax year. The LLC has a technical termination on February 20, 2013. The federal and Oregon returns for the tax year from January 1, 2013 to February 20, 2013 are due June 17, 2013. The Oregon partnership minimum tax is also due June 17, 2013. The LLC will use 2012 forms to complete their federal and Oregon returns applying any laws for tax year 2013.

Form instructions

Heading

Enter all information in the heading. If you're not sure of the partnership's BIN, see the information on page 1 of the instructions or contact us. If the partnership has a valid federal or Oregon extension, check the box and enter the revised due date. Oregon follows federal and allows a 5 month extension for partnership returns.

Questions

Question 1. Answer yes if the partnership is doing business in Oregon. "Doing business" is defined the same for partnerships and corporations. For more information, go to www.oregon.gov/dor/bus and click on "Partnership Taxes" on the left side to see our partnership information webpage. There's also a link to Oregon Revenue Bulletin #2010-02. This information can help you figure out the correct answer.

If the \$150 partnership minimum tax was already submitted, do not send a voucher or payment with the return. Otherwise, submit your payment with the return and include voucher Form 65-V. Pay the tax by the due date (not including extensions) to avoid penalty and interest.

If the partnership is filing a short year return only because of a change in accounting periods, check the box "Accounting period change" and prorate the tax according to the number of months on the return. Submit the reduced tax amount instead of the entire \$150. See our website for more information and prorated tax amounts.

Follow these instructions for making a **payment:**

- Make your check or money order payable to "Oregon Department of Revenue."
- Write your daytime telephone number, EIN, and "2012 Partnership Tax" on your check.
- Do not send cash or a postdated check.
- Include both the EIN and BIN on the voucher for faster and more accurate processing.
- Complete voucher Form 65-V and attach it to your payment. If included with your return, attach both the payment and voucher to the front of Form 65.

Question 2. The partnership is only required to file if it has Oregon source income or Oregon resident partners. If the answer is 'no' for both 2A and 2B for this tax year, don't file an Oregon partnership return.

Question 3C. The partnership is required to send in payments on behalf of nonresident owners who are individuals or C-corporations, unless the owner is exempt, files an affidavit, or joins a composite return. See Form OC and Form OR-19 instructions for more information on the partnership's requirements to file a composite return or send in payments on behalf of its nonresident owners.

Question 3D. Nonresident owners who are individuals or C corporations can join an Oregon Composite Return, Form OC, filed by the partnership. Enter how many owners participated in the Form OC the partnership filed or will be filing.

Question 7. Enter the tax credits earned by the partnership. A partner may be able to claim their share of these credits

on their own return. Provide this information to partners with their Schedule K-1 and include the credit code for partners who are individual income taxpayers. For a complete list of credits, go to www.oregon.gov/dor/bus and click on "Partnership Taxes" on the left side. For the credit codes for individual owners, see the list at the end of Oregon Publication 17-1/2 and the instructions regarding partnership and S corporation modifications and credits.

Question 8. The owners must file returns and pay transit district self-employment taxes for income subject to these taxes. The partnership may instead file and pay on their behalf. For more information, go to www.oregon.gov/dor/bus and click on "Self-Employment Taxes" on the left side.

Question 9. It's important that you provide the name and contact information for the person who has the partnership records. If you do not complete this question, there may be a delay in receiving important information.

Schedule I

Attach schedules if necessary to explain the modifications. If adding other additions or subtractions, identify the modification. A partner may be able to claim their share of these modifications on their own return. Provide this information to partners with their Schedule K-1 and include the addition or subtraction code for partners who are individual income taxpayers. For the codes for individual owners, see the list at the end of Oregon Publication 17-1/2 and the instructions regarding partnership and S corporation modifications and credits.

Important! If you expensed business property under IRC section 179 or claimed the 50 percent bonus depreciation or the \$8,000 additional depreciation allowed under IRC section 168(k) in 2009 or 2010, you may have an addition or subtraction. Use the *Oregon Depreciation Schedule* to see if you have an adjustment due to Oregon differences.

Gain on voluntary and involuntary conversions. Oregon allows partnerships to elect for their partners to defer the gain on voluntary and involuntary conversions. Partnerships must make the election for all consenting partners. Attach Form 24, *Oregon Like-kind Exchanges/Involuntary Conversion* 150-800-734, to your *Oregon Partnership Return of Income*, Form 65, and check the box on the front of Form 65.

Taxpayer assistance

General tax information..... www.oregon.gov/dor
 Salem.....503-378-4988
 Toll-free from an Oregon prefix.....1-800-356-4222

Asistencia en español:

En Salem o fuera de Oregon503-378-4988
 Gratis de prefijo de Oregon..... 1-800-356-4222

TTY (hearing or speech impaired; machine only):

Salem area or outside Oregon503-945-8617
 Toll-free from an Oregon prefix 1-800-886-7204

Americans with Disabilities Act (ADA): Call one of the help numbers for information in alternative formats.



OR Partnership Return of Income Voucher

Fiscal year begins _____ Or _____
 Calendar tax year _____ Ends _____

FORM
65-V

Department of Revenue Use Only

Check if: First time Oregon filer Extension Taxpayer is: LLP LLC
 New name or address Amended return LP Partnership

Contact name		Telephone number
Name of partnership		BIN
Current mailing address		FEIN
City	State	ZIP code

Payment Amount

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