



## OREGON CORPORATE ACTIVITIES TAX FAQ

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### What is the Corporate Activities Tax (CAT)?

The CAT is imposed on businesses for the privilege of doing business in Oregon. The amount of the CAT is based on taxable commercial activity.

### When will the CAT start?

The CAT is applicable to tax years beginning January 1, 2020.

### How are “commercial activity” and “taxable commercial activity” different?

Commercial activity is gross receipts originated in Oregon. Taxable commercial activity is commercial activity, less certain expenses apportioned to Oregon.

### Who is subject to CAT?

All persons or unitary group of persons with Oregon commercial activity in excess of \$750,000 are required to register for the CAT. Those with Oregon commercial activity in excess of \$1 million are required to file a CAT return. Those with taxable Oregon commercial activity in excess of \$1 million are required to pay the tax.

Persons or unitary groups of persons includes C and S corporations, partnerships, sole proprietorships, and other business entity types.

### Who is NOT subject to CAT?

The CAT legislation includes a list of business entities that are not subject to the CAT. See HB 3427, Section 58(6) and HB 2164, Section 50.

### How often am I required to file and pay?

CAT returns are due each year on April 15. CAT estimated payments are due April 30, July 31, October 31, and January 31 for the preceding quarter. Further instructions on how to make payments will be posted soon.

### When do I need to register for the CAT?

Registration is due within 30 days of when you know you'll meet the \$750,000 registration requirement. A penalty of \$100 per month may be assessed for failing to register, up to \$1,000 per calendar year.

### What items are excluded from the definition of commercial activity?

The CAT legislation has a list of items that are excluded from the definition of commercial activity. See Section 58(1)(b) of HB 3427 (2019), as modified by Section 50 of HB 2164 (2019).

ODR has set up a website to help update taxpayers with information as it is known:

<https://www.oregon.gov/DOR/programs/businesses/Pages/corporate-activity-tax.aspx>