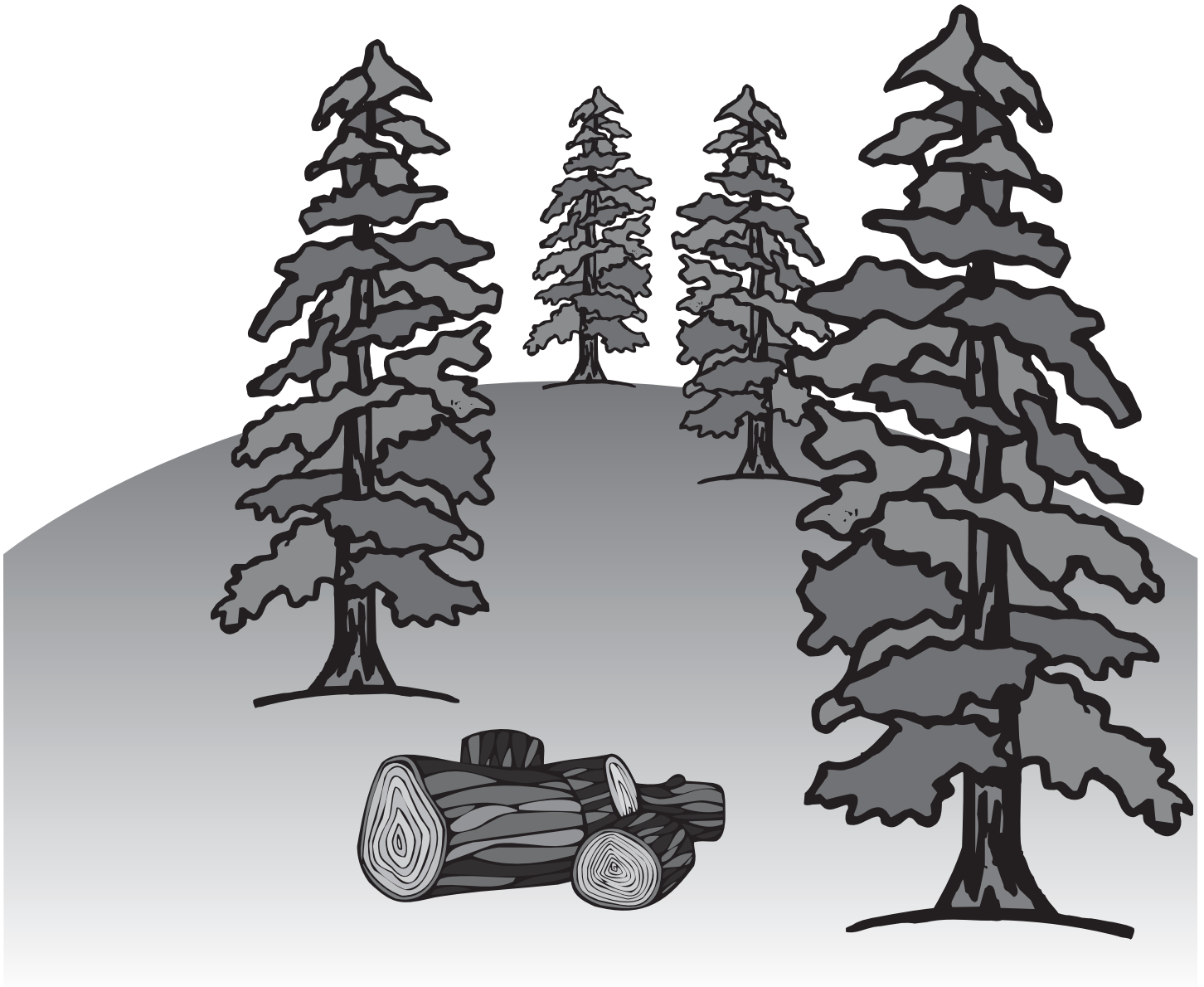


2015 Understanding Oregon's Timber Tax Programs and How to Complete Forms



**Provided by the Timber Unit,
Property Tax Division**

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For more information

If you have questions or need assistance preparing your timber tax returns, contact the Oregon Department of Revenue (DOR) at (503) 378-4988 or toll-free from Oregon prefix, 1 (800) 356-4222. You may email questions to the Timber Unit at: timber.tax.help@oregon.gov. For more information visit, www.oregon.gov/dor.

This publication is available on our website.

Timber office

Oregon Department of Revenue
Timber Unit
955 Center Street NE (Revenue Building)
Salem OR 97301

Introduction

Forests contain one of Oregon's most valuable natural resources—trees. The policy of the State of Oregon is to protect these forest resources and encourage the long-term management of the state's forests through its laws. Oregon offers special assessment programs to forestland owners if they agree to manage the property primarily for growing and harvesting timber. These programs reduce the property tax the landowner pays on their forestland.

Property taxes are computed based on the value of the **land** as forestland. The county assesses and collects these taxes on an annual basis.

Timber taxes are computed based on the volume of timber harvested and sold. These taxes are collected by us. This publication will explain the timber taxes to which harvests are subject, and how to complete forms.

Oregon's timber tax programs

All timber harvested in Oregon is subject to the forest products harvest tax. In addition, harvests may be subject to the small tract forestland (STF) severance tax. Timber taxes are calculated using the volume of timber harvested.

1. Forest products harvest tax Oregon Revised Statutes (ORS 321.005-321.185)
2. Small tract forestland severance tax (ORS 321.700-321.754)

Notification of operation

ORS 321.005, ORS 321.550

Before harvesting timber, a notification of operation must be obtained from the Oregon Department of Forestry (ODF). No fee is charged for filing the notification, which contains information related to the harvest, including:

1. A **legal description** of the property.
2. The name and address of the **operator**. The operator is the person or company who performs the harvest (such as, the logger).
3. The name and address of the **landowner**.
4. The name and address of the **timber owner**. The timber owner is the owner of the timber at the time logs are first measured. The timber owner and the landowner are usually the same person. Logs are first measured when they are delivered and sold to a mill.

A notification of operation is valid during a calendar year (January 1 through December 31). You will need to file a new notification with ODF if the operation continues into the following calendar year. Civil penalties may result for logging without notifying ODF [ORS 321.550 (3)(a)].

Responsibility for paying timber taxes

Oregon law requires the **owner of timber** at the time logs are first measured (scaled or weighed) to pay any timber taxes that may be due. Generally, logs are first measured when they are delivered and sold to a mill. When timber is to be sold, it is important that the parties involved understand who will be responsible for payment of timber taxes. (ORS 321.045)

The following information is used in determining the timber owner, and therefore who is responsible for payment:

1. The person listed as timber owner on the notification of operation from ODF.
2. The person receiving payment for the logs delivered to the mill.
3. The person holding title to timber as shown in a written agreement (contract).

If you are unsure about who is legally responsible to pay timber taxes, the table below may help:

Type of transaction	Responsible taxpayer
Outright sale of standing timber only (timber deed).	Timber purchaser.
Sale of land and timber by deed.	Purchaser of property.
Sale of land and timber by land sales contract.	Purchaser of property.
Sale of logs prior to any measure, such as, from the landing.	Purchaser of the logs.
Trading timber for services, such as, logging, land clearing–reforestation and materials.	Person receiving timber.
Timber given as a gift.	Recipient of gift.

Timber taxes I need to pay

All timber harvested in Oregon is subject to the forest products harvest tax (FPHT). In addition, harvests may be subject to the small tract forestland (STF) severance tax.

Forest products harvest tax (FPHT)

ORS 321.005-321.185

The forest products harvest tax is paid on timber cut from all land in Oregon. Revenue from the tax supports:

- The Forest Research Laboratory at Oregon State University,
- Emergency fire fighting funds for lands protected by the State of Oregon,
- The Oregon Department of Forestry to administer the Forest Practices Act on private land, and
- Operations of the Oregon Forest Resources Institute.

The tax rate can change annually due to balances in the emergency fire fighting fund and needs of other programs. The rate is reviewed each legislative session, and is **\$3.5316 per MBF for 2015**. The tax rate is pre-printed on the forms.

Estimated payments

Taxpayers expecting to owe more than \$1,500 for the FPHT in a calendar year are required to make quarterly "Estimate of Timber Tax Liability" payments, ORS 321.045(4). Failure to make estimated payments may result in a penalty based on the interest of the unpaid estimated tax.

For an example of a completed tax return and instructions, see pages 11–12 and 21–23.

Small tract forestland (STF) severance tax

ORS 321.726-321.754

The STF severance tax is paid on timber harvested from lands classified as STF by the county assessor. Landowners must meet certain criteria and apply to the county assessor to have their land classified and taxed as the STF option.

The revenue from this tax is distributed to the state school fund, community college support fund, and the counties.

There are two tax rates, depending on whether the timber was harvested in western or eastern Oregon. The STF severance tax rates are indexed annually to reflect the increase or decrease in forestland value.

Harvests occurring in the following 19 counties use the **western rate**: Benton, Clackamas, Clatsop, Columbia, Coos, Curry, Douglas, Hood River, Jackson, Josephine, Lane, Lincoln, Linn, Marion, Multnomah, Polk, Tillamook, Washington, and Yamhill. The tax rate is pre-printed on the forms. **The 2015 rate is \$5.33/MBF.**

Harvests occurring in the following 17 counties use the **eastern rate**: Baker, Crook, Deschutes, Gilliam, Grant, Harney, Jefferson, Klamath, Lake, Malheur, Morrow, Sherman, Umatilla, Union, Wallowa, Wasco, and Wheeler. The tax rate is pre-printed on the forms. **The 2015 rate is \$4.15/MBF.**

Estimated payments

There is no requirement for quarterly estimated payments on the STF severance tax.

For an example of completed tax returns and instructions, see pages 15–16 and 25–31.

Obtaining forms

Forms: Timber tax forms are only available through us, which we mail them in December of each year of harvest or in January of the next year. The department identifies potential harvesters and mails the forms based on information provided on the notification of operation filed with ODF prior to harvest and the STF application from the county assessors. Detailed information is printed on the forms; blank forms are not available.

If you received a return, but did not harvest, check the “No harvest” box. If you harvested, but are under the 25 MBF exemption (FPHT only), you are still required to file a timber tax return listing the volume harvested. Sign, date, and mail the return to Oregon Department of Revenue.

Due date: For timber tax purposes, the timber owner is responsible for filing and paying the timber taxes (ORS 321.005 and 321.550) by January 31 for timber harvests occurring during the prior calendar year. The due date is the following Monday when January 31 falls on a weekend.

Penalty and interest: Taxes filed after the due date will be assessed penalty and interest. A 5 percent penalty is assessed for returns filed between January 31 and April 30. Returns filed after April 30 receive a 25 percent penalty.

Income tax: Personal income tax is separate from timber taxes. However, you may need to report the income from the sale of logs on your personal income tax return.

Extension of time to file

ORS 321.045

If you are unable to file a return by the **January 31 due date**, you may request an extension of time to file. The request must be in writing and postmarked no later than the due date of the return. The department may grant up to 30 days from the due date. **This does not extend the time to pay.**

Forest products harvest tax (FPHT)

Form 201 (FP)

Program 370

Important information when completing the forms:

- Volume must be reported in thousands of board feet (MBF). Weighed wood must be converted from tons to MBF using the conversion table on the back of the form.
- The first 25 MBF per timber owner each year is exempt from the tax.
- All forest products that can be measured in board feet or tons, and meet the requirements of “utility cull” or better, are subject to this tax.
- If you have more than seven notifications, they will be listed on form 201A.
- The tax is paid to us by January 31 for timber harvested between January 1 and December 31 of the prior calendar year.

Forest Products Harvest Tax

Instructions for Form 201 (FP)

General Information

Payment voucher

A payment voucher is included with your form and instructions. Please include on the voucher:

- Your payment amount;
- Your business identification number (BIN), which can be found on the top of the timber tax form; and
- Your mailing address.

Mail the payment voucher with your form by the due date.

Who is the taxpayer?

The taxpayer is the owner of the harvested timber when it is first measured. The timber owner, as listed on the Notification of Operation from Oregon Department of Forestry (ODF) is responsible for reporting and paying the tax (ORS 321.005 and ORS 321.550).

What if I did not harvest?

You are required to file a return even if you did **not** harvest timber during the year or you harvest non-taxable material. Check the "NO HARVEST" box in the upper right corner on the front of the return. Sign, date, and mail your return to the Oregon Department of Revenue (DOR).

Is another party responsible?

If the ownership of the timber has been transferred to another party, check the box in the upper right corner on the front of the return. Attach a copy of the written agreement (contract) to the return.

The written agreement (contract) must be signed and dated by both parties and contain the name of the responsible party and the terms of the agreement.

Sign, date, and mail your return to DOR.

What timber harvest is subject to tax?

All timber harvested from public and private forestlands statewide that can be measured in board feet or tons, and meets the requirements of utility cull or better, is subject to the tax. Also, chips produced in the woods are subject to the tax. You must file a Forest Products Harvest Tax (FPHT) return.

Exempt timber not subject to tax:

- Secondary products, other than chips, **manufactured in the woods** and produced from logs normally either left in the forest or burned as slash. **Examples:** Shake or shingle bolts, fence posts, firewood, and arrow bolts.

- Chips produced from materials not meeting the requirements of utility cull or better and sold as hog fuel.

What is the filing deadline?

January 31 for harvested timber that is **measured** between **January 1 and December 31** of the prior calendar year. This due date is extended to the following Monday when January 31 falls on a weekend.

What records do I need to complete my return?

- Notification of Operation.
- Mill records showing total volume (net MBF) harvested, e.g., mill records and/or scale tickets.

Keep a copy of your return and all original records for at least six years from the date returns are due.

What if I'm filing an amended return?

You may send an amended return any time after the original filing date. An amended return claiming a refund must be filed within two years of the overpayment.

Check the "AMENDED RETURN" box in the upper right of the return. Complete the form as if an original return were being filed. Complete each box with the correct information, even if it is not being changed. Use the comments section on the back of the form to explain the reason you are amending.

Estimated tax

Owners who expect to owe Forest Products Harvest Tax in excess of \$1,500 for the year **are required** to file an "Estimate of Timber Tax Liability" form with the Oregon Department of Revenue and make **quarterly** estimated payments. The forms and payments are due by **April 30, July 31, and October 31**. If you need estimated tax payment forms, call us at 503-378-4988.

Extensions

You may request an extension of time to file your return. You must make your request in writing and state the reason for the request. The request must be postmarked no later than the due date of the return. The department may grant up to 30 days from the due date, in which to **FILE THE RETURN**. This is only an extension to file. **It does not extend the time to pay.** When you file, attach a copy of your approved extension to the front of your return.

Filing Instructions

Please check the preprinted information on the return. If any items are inaccurate, print the correction under that item. **Do not white out any information on the return.**

The Business Identification Number (BIN) located at the top of your return is your account number. Please refer to this number on any correspondence or in phone calls.

Columns 1 through 7. For additional areas of harvest operation that are not already listed, enter the entire Notification of Operation number, operator name, landowner name, county, township, range, and section. Attach a copy of the notification.

Measurement

Logs and chips must be reported in MBF. Products not measured in board feet must be converted to thousands of board feet (MBF). If needed, use the conversion table on the back of the return.

Column 8. Enter the net (and "adjusted gross") thousand board feet (MBF) volume of timber harvested for each Notification of Operation.

To convert board feet (BF) to MBF, divide by 1,000. **Round MBF to the nearest whole number.** For example:

$$\begin{aligned} 26,499 \text{ BF} &= 26.499 \text{ MBF} = 26 \text{ MBF} \\ 26,500 \text{ BF} &= 26.500 \text{ MBF} = 27 \text{ MBF} \end{aligned}$$

Box 9. Total volume. Add all the volumes from column 8. Be sure to include all volumes from column 8 from all pages of Form 201A. Enter the total in box 9.

Box 11. Subtract box 10 (25 MBF exemption) from box 9 (total volume). Enter the result in box 11 (taxable volume). If zero or less, enter -0- in box 11. **Do not enter a negative <-> amount. A return must be filed even if no tax is owed.**

Box 12. Multiply box 11 by the tax rate preprinted on the form. Enter the result in box 12.

Box 13. Enter any quarterly estimated payments or other prior payments.

Boxes 14 and 15. Subtract box 13 (prior payments) from box 12 (tax). If the result is positive, enter in box 14 (tax due with this return). If the result is negative, enter in box 15 (overpayment).

If you have an overpayment, the department will compute and pay interest on your refund, if applicable.

Late filing

Box 16. Compute penalty if you:

- Mail your tax payment after the due date (even if you have a filing extension).
- File your return showing a tax due (box 14) after the due date.

The penalty for filing or paying late is five percent of the unpaid balance of your tax. If you file more than three months late, the penalty is 25 percent of box 14.

For amended returns, you do not have to pay a penalty if **all** additional tax and interest are paid with your amended return.

Box 17. Compute interest: multiply the number of days late **times** the daily interest rate (printed on the form) **times** the amount in box 14.

For amended returns, compute interest from the original due date of the return.

Box 18. TOTAL PAYMENT. Add boxes 14, 16, and 17. Enclose this amount with your return. Sign, date, and mail your return to the Oregon Department of Revenue.

Questions?

For assistance with filing or amending your returns, contact the timber tax staff.

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

Asistencia en español:

En Salem o fuera de Oregon 503-378-4988
Gratis de prefijo de Oregon..... 1-800-356-4222

TTY (hearing or speech impaired; machine only):

Salem area or outside Oregon 503-945-8617
Toll-free from an Oregon prefix..... 1-800-886-7204

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

Mail all payments, forms, and correspondence to:

Timber Tax Programs
Oregon Department of Revenue
PO Box 14003
Salem OR 97309-2502

Remember to sign and date your return before filing.
KEEP A COPY OF THE RETURN FOR YOUR FILE

Small tract forestland (STF) severance tax

Form 390 Western Oregon (WO)

Form 391 Eastern Oregon (EO)

Important information when completing the forms:

- This tax is due on harvests from lands classified by the county assessor as “Small tract forestland.” Landowners must apply to the county to have their lands classified and taxed under the STF option.
- Volume must be reported in thousands of board feet (MBF). Weighed wood must be converted from tons to MBF using the conversion table on the back of the form.
- There is no 25 MBF exemption on the STF severance tax.
- All forest products that can be measured in board feet or tons and meet the requirements of “saw mill grade” or better are subject to this tax.
- There is no requirement for quarterly estimated payments.
- If you have more than nine notifications, they will be listed on Form 390A or 391A.
- The tax is paid to us by January 31 for timber harvested between January 1 and December 31 of the prior calendar year.

General Information

Payment voucher

A payment voucher is included with your form and instructions. Please include on the voucher:

- Your payment amount;
- Your business identification number (BIN), which can be found on the top of the timber tax form; and
- Your mailing address.

Mail the payment voucher with your form by the due date.

Who is the taxpayer?

The taxpayer is the owner of the harvested timber when it is first measured. The timber owner, as listed on the Notification of Operation from Oregon Department of Forestry (ODF) is responsible for reporting and paying the tax (ORS 321.005 and ORS 321.550).

What if I did not harvest?

You are required to file a return even if you did **not** harvest timber during the year or you harvest non-taxable material. Check the "NO HARVEST" box in the upper right corner on the front of the return. Sign, date, and mail your return to the Oregon Department of Revenue (DOR).

Is another party responsible?

If the ownership of the timber has been transferred to another party, check the box in the upper right corner on the front of the return. Attach a copy of the written agreement (contract) to the return.

The written agreement (contract) must be signed and dated by both parties and contain the name of the responsible party and the terms of the agreement.

Sign, date, and mail your return to DOR.

Exempt land?

The severance tax is only due on timber harvested from lands classified by the county as Small Tract Forestland (STF). If the harvest occurred on land classified as something other than STF, mark the "Exempt Land" box on the front of the return. The property tax account numbers are used to verify how your land is classified by the county for property tax purposes. If necessary, use the comments section on the back of the form to explain.

What is the filing deadline?

January 31 for harvested timber that is **measured** between **January 1 and December 31** of the prior calendar year. This due date is extended to the following Monday when January 31 falls on a weekend.

150-390-004 (Rev. 07-10)

What records do I need to complete my return?

- Notification of Operation.
- Mill records showing total volume (net MBF) harvested, e.g., mill records and/or scale tickets.
- Property tax account numbers.

Keep a copy of your returns and all original records for at least six years from the date returns are due.

What timber harvest is subject to tax?

All timber harvested from land designated as Small Tract Forestland statewide that can be measured in board feet or tons, and meets the requirements of saw mill grade or better, is subject to the tax. Also, chips produced in the woods are subject to the tax.

Exempt products not subject to tax:

- Secondary products, other than chips, **manufactured in the woods** and produced from logs normally either left in the forest or burned as slash. **Examples:** Shake or shingle bolts, fence posts, firewood, and arrow bolts.
- Chips produced from materials not meeting the requirements of utility cull or better and sold as hog fuel.

Other timber taxes

In addition to the STF severance tax, a Forest Products Harvest Tax (FPHT) return must be filed for all timber harvested in Oregon. This is separate from the STF severance tax.

What if I'm filing an amended return?

You may send an amended return any time after the original filing date. An amended return claiming a refund must be filed within two years of the overpayment.

Check the "AMENDED RETURN" box in the upper right of the return. Complete the form as if an original return were being filed. Complete each box with the correct information, even if it is not being changed. Use the comments section on the back of the form to explain the reason you are amending.

Extensions

You may request an extension of time to file your return. The request must be made in writing and state the reason for the request. The request must be postmarked no later than the due date of the return. The department may grant up to 30 days from the due date in which to **FILE THE RETURN**. This is only an extension to file. **It does not extend the time to pay.** When you file, attach a copy of your approved extension to the front of your return.

Filing Instructions

Please check the preprinted information on the return. If any items are inaccurate, print the correction under that item. **Do not white out any information on the return.**

The business identification number (BIN) located at the top of your return is your account number. Please refer to this number on any correspondence or in phone calls.

Columns 1 through 6. For additional areas of harvest that are not already listed, enter the entire Notification of Operation number, landowner name, county, township, range, and section. Attach a copy of the notification.

Measurement

Logs and chips must be reported in MBF. Products not measured in board feet must be converted to thousands of board feet (MBF). If needed, use the conversion table on the back of the return to convert tons to MBF.

Column 7. Enter the net (and "adjusted gross") thousand board feet (MBF) volume of timber harvested for each Notification of Operation.

To convert board feet (BF) to MBF, divide by 1,000. **Round MBF to the nearest whole number.** For example:

$$\begin{aligned} 26,499 \text{ BF} &= 26.499 \text{ MBF} = 26 \text{ MBF} \\ 26,500 \text{ BF} &= 26.500 \text{ MBF} = 27 \text{ MBF} \end{aligned}$$

Box 8. Total volume. Add all the volumes from column 7. Be sure to include all volumes from column 7 from all pages of Form 390A or Form 391A. Enter the total in box 8.

Box 9. Multiply box 8 by the tax rate preprinted on the form. Enter the result in box 9.

Box 10. Enter any prior payments.

Box 11 and 12. Subtract box 10 (prior payments) from box 9 (tax). If the result is positive, enter in box 11 (tax due with this return). If the result is negative, enter in box 12 (overpayment). Do not enter a negative <-> amount.

If you have an overpayment, the department will compute and pay interest on your refund, if applicable.

Late filing

Box 13. Compute penalty if you:

- Mail your tax payment after the due date (even if you have a filing extension).
- File your return showing tax due (box 11) after the due date.

The penalty for filing or paying late is 5 percent of the unpaid balance of your tax. If you file more than three months late, the penalty is 25 percent of box 11.

For amended returns, you do not have to pay a penalty if **all** additional tax and interest are paid with your amended return.

Box 14. Compute interest: multiply the number of days late **times** the daily interest rate (printed on the form) **times** the amount in box 11. For amended returns, compute interest from the original due date of the return.

Box 15. TOTAL PAYMENT. Add boxes 11, 13, and 14. Enclose this amount with your return. Sign, date, and mail your return to the Oregon Department of Revenue.

No payment is due if tax due (box 11) is less than \$10. However, you **still must** file a return.

Questions?

For assistance with filing or amending your returns, contact the timber tax staff.

General tax informationwww.oregon.gov/dor/timber
Salem503-378-4988
Toll-free from an Oregon prefix1-800-356-4222

Asistencia en español:

En Salem o fuera de Oregon503-378-4988
Gratis de prefijo de Oregon1-800-356-4222

TTY (hearing or speech impaired; machine only):

Salem area or outside Oregon503-945-8617
Toll-free from an Oregon prefix1-800-886-7204

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

Mail all payments, forms, and correspondence to:

**Timber Tax Programs
Oregon Department of Revenue
PO Box 14003
Salem OR 97309-2502**

**Remember to sign and date your return before filing.
KEEP A COPY OF THE RETURN FOR YOUR FILES**

How to complete forms

Example:

Taxpayer obtained two separate notifications to harvest in two different locations. All timber harvested under notification number 2015-111-00367 was sold to “Forest Products R Us.” All timber harvested under notification number 2015-111-00368 was sold to “We Buy Fibre Products.”

See pages 19–20 for example of mill receipts received. Mill receipts will vary with each mill. To find the volume of timber harvested, look for “net volume,” “net weight,” “net board feet,” etc.

All volume must be reported in thousands of board feet (MBF). Products not measured in MBF must be converted to MBF. Convert board feet to MBF by dividing by 1,000 and rounding.

$$26,499 \text{ BF} = 26.499 \text{ MBF} = 26 \text{ MBF}$$

$$26,500 \text{ BF} = 26.500 \text{ MBF} = 27 \text{ MBF}$$

Convert weighed wood to MBF by first converting pounds to tons by dividing by 2,000. Convert tons to MBF by using the appropriate conversion factor on the back of the form.

Find the volume on each of the mill receipts using the following information:

For “We Buy Fibre Products”:

1. In the example mill receipt, the mill purchased its logs by weight. Over 10 percent of the logs sold were 8 inches in diameter and over.
2. Net weight highlighted on the example mill receipt is 554,200 pounds. Divide the pounds by 2,000, which equals 277 tons ($554,200 \div 2,000 = 277$ tons).
3. Use the conversion factors on the back of the forms for both FPHT and STF, to convert tons to MBF. Because 10 percent of the logs sold were over 8 inches in diameter, use the saw log conversion factor. Divide 277 tons by 7.5 ($277 \div 7.5 = 37$ MBF).

For “Forest Products R Us”:

1. Forest Products R Us purchased its logs by volume.
2. The volume, as shown on our example mill receipt, is reported in board feet and needs to be converted to MBF. This is accomplished by dividing the board feet by 1,000. In the example, net board feet is 106,600 (highlighted). Divide by 1,000 ($106,600 \div 1000 = 106.6$ MBF), and round to 107 MBF. The volume of 107 MBF includes “utility grade” logs.

Use the following instructions to complete your forms.

How to complete the forest products harvest tax return

1. Report the total volume for each notification in column 8. In our example return, 37 MBF was harvested under notification #: 2015-111-00368 and 107 MBF was harvested under notification #: 2015-111-00367.
2. Total all amounts in column 8 and put the total volume in box 9. Total volume to enter in box 9 equals 144 MBF. (107 MBF + 37 MBF = 144 MBF).
3. Subtract 25 MBF from the total in box 9; this will give you the “taxable volume” in box 11. In our example, 144 MBF - 25 MBF = 119 MBF.
4. To figure the tax due, multiply the taxable volume in box 11 (119 MBF) by the pre-printed tax rate in box 12. In our example, 119 MBF multiplied by \$3.5316 (tax rate for 2015) equals \$420.26.

How to complete the small tract forestland severance tax return

1. Report the total volume for each notification in column 7. Notification #: 2015-111-00368 has a total volume of 37 MBF. In our example, notification #: 2015-111-00367 has a total volume of 107 MBF; however, this includes utility volume, which is not subject to the STF tax.

The utility volume needs to be subtracted from the total 107 MBF. Per the mill receipt, the utility volume is 7,090 board feet, which equals 7 MBF. This equals a total volume of 100 MBF to be reported on STF (107 MBF - 7 MBF = 100 MBF).

2. Total all amounts in column 7 and put the total volume in box 8. Total volume to enter in box 8 is 137 MBF (100 MBF + 37 MBF = 137 MBF).
3. Multiply the volume in box 8 (137 MBF) by the pre-printed tax rate in box 9. In our example for western Oregon, 137 MBF multiplied by \$5.33 (STF severance tax—Western Oregon rate for 2015) equals \$730.21.
4. The steps for calculating the STF severance tax—Eastern Oregon is the same, except use the Eastern Oregon tax rate for 2015 of \$4.15 per MBF. In our example, the total volume of 137 MBF multiplied by \$4.15 equals \$568.55.

WE BUY FIBRE PRODUCTS

NORTH PLAINS DIVISION
PO Box Sample #, Somewhere ST 90000

To: **Sample Taxpayer** 1280
200 Any Street
Example City, OR 97219

BILLING PERIOD: 05/22 - 05/27/15 NOTIFICATION OF OPERATIONS#: 2015-111-00368

DATE	TKT#	GROSS	TARE	NET	TONS	SPC	BRAND	TRP	TKT#	PERMIT#
05/26/15	37382	82420	27000	554200	277	H	P/69		3312	
	H	P/69	277 TONS @ 62.00 = \$17,174.00							
TOTAL NET WEIGHT ALL SPECIES:				554200 POUNDS		277 TONS				
TOTAL BALANCE DUE THIS BILLING										\$17,174.00

VENDOR NO: 1280

VENDOR NAME 12273

TRANSACTION DATE	REFERENCE	GROSS AMOUNT	DEDUCTION	NET AMOUNT
05/26/15	5-173	\$17,174.00	.00	\$17,174.00

CHECK DATE	CHECK NO.	TOTAL GROSS	TOTAL DEDUCTION	CHECK AMOUNT
05/26/15	012273	\$17,174.00	.00	\$17,174.00

FOREST PRODUCTS R US

Detail remittance listing by Certificate and Price
 Reported as of July 16, 2015 16:52

For: Sample Taxpayer
 Vendor #: 116501

SPECIES	GRADE	GROSS BF	NET BF	PRICE/M	AMOUNT
DOUG FIR	#2SAWMILL	82	80	\$580.00	\$46.40
	#3SAWMILL	227	220	\$580.00	\$127.60
	#3SAWMILL	505	490	\$630.00	\$308.70
	#3SAWMILL	896	870	\$680.00	\$591.60
	#4SAWMILL	422	410	\$580.00	\$237.80
	#4SAWMILL	93	90	\$630.00	\$56.70
	#4SAWMILL	124	120	\$680.00	\$81.60
	UTILITY	2060	2000	\$-	\$-
	UTILITY	5150	5000	\$-	\$-
SUBTOTAL		9558	9280	\$622.86	\$1,450.40
SITKA SPRUCE	#2SAWMILL	144	140	\$580.00	\$81.20
	#3SAWMILL	144	140	\$300.00	\$42.00
SUBTOTAL		288	280	\$440.00	\$123.20
					\$-
WESTERN HEMLOCK					
	#2SAWMILL	113	110	\$400.00	\$44.00
	#2SAWMILL	556	540	\$325.00	\$175.50
	#2SAWMILL	96913	94090	\$375.00	\$35,283.75
	#3SAWMILL	1689	1640	\$375.00	\$615.00
	#4SAWMILL	72	70	\$250.00	\$17.50
	#4SAWMILL	237	230	\$325.00	\$74.75
	#4SAWMILL	155	150	\$375.00	\$56.25
	UTILITY	93	90	\$-	\$-
SUBTOTAL		99828	96920	\$346.43	\$36,513.15
					\$-
RC	#3SAWMILL	82	80	\$500.00	\$40.00
	#4SAWMILL	41	40	\$500.00	\$20.00
SUBTOTAL		124	120	\$500.00	\$60.00
TOTAL		109798	106600	\$477.32	\$38,146.75

FOR CERTIFICATE # 64496
 SCALED 07/12/15

Note: The example forms in this publication are replicas of our official forms. These forms cannot be used as official forms and blank forms are not available. Timber tax forms have pre-printed information and need to be ordered from us.

Form
•201
FP

Forest Products Harvest Tax Return

•2015

• Business identification number (BIN) **2010121-2**

SAMPLE TAXPAYER
200 ANY STREET
EXAMPLE CITY OR 97219

Department use only		
Date received		
Payment amount		
1	2	3

- **No harvest** – Check here, sign, and return form.
- **Amended return**
- **Another party is responsible** (attach copy of contract)

Do not white-out, cross-out, or change printed information on the return. Attach a separate explanation of changes.

1	2	3	4	5	6	7	8
Notification of operations number	Operator	Landowner sale name/contract number	County	Township N or S	Range E or W	Section	Volume (MBF)
2015-111-00367-01	SUGARLOAF MTN	SAMPLE TAXPAYER	15	38S	1W	02	107
2015-111-00368-01	SUGARLOAF MTN	SAMPLE TAXPAYER	17	37S	7W	03	37*
2015-111-00369-01	SUGARLOAF MTN	SAMPLE TAXPAYER	17	37S	7W	04	No harvest
2015-111-00370-01	SUGARLOAF MTN	SAMPLE TAXPAYER	20	17S	2W	02	No harvest

Please attach a copy of any additional notification(s) of operations that are not printed on this form.

Make check or money order payable to:
Oregon Department of Revenue

Mail to: Timber Tax Programs
Oregon Department of Revenue
PO Box 14003
Salem OR 97309-2502

Declaration: Under penalties for false swearing, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief it's true, correct, and complete.

Signature(s)
X *Sample Taxpayer*

Phone **541 555-7777** Date **January 14, 2016**

Total volume (Total amounts from column 8 on all pages)	9	144
25 MBF exemption	10	- 25 MBF
Taxable volume (Box 9 minus box 10. If less than zero, enter zero)	11	119
Tax (Multiply amount in box 11 x \$3.5316)	12	420.26
Estimated or prior payment for 2015	13	▲
Tax due with this return (Subtract box 13 from box 12)	14	420.26
Overpayment	15	▲
Penalty → Up to 3 months late, enter 0.05 x box 14 Over 3 months late, enter 0.25 x box 14	16	▲
Interest → Number of days late x 0.000110 x box 14	17	▲
Total payment (Add boxes 14, 16, and 17)	18	420.26

— Keep a copy of this return for your records —

* Note: This is from the conversion factors table.

Measurement

Logs, chips, poles, and piling must be reported in thousands of board feet (MBF). Products not measured in board feet must be converted to MBF.

Per Oregon Administrative Rule [OAR 150-321.005(12)] use the following criteria for determining which conversion factors to use:

- When less than 10 percent of the load's log count comes from logs that have an 8" or larger scaling diameter, use the **Chip logs** conversion factor.
- When 10 percent or more of the load's log count comes from logs than have an 8" or larger scaling diameter, use the **Saw logs** conversion factor.

If the logs are to be used for:	Number of units	Divide by	=	Volume (MBF)
Chip logs	_____ Tons	11	=	_____
Saw logs	<u>277</u> Tons	7.5	=	<u>37</u>

* (Note: See front page of return.)

If the product is:	Green tons of chips	Divide by	=	Volume (MBF)
Chips produced in The woods from:				
Dead conifer logs	_____ Tons	5	=	_____
Green conifers or hardwoods	_____ Tons	11	=	_____

If the product is:	Number of units	Divide by	=	Volume (MBF)
Poles and piling and they are:				
Up to 60' length	_____ Poles	8	=	_____
Over 60' length	_____ Poles	3	=	_____

Comments: _____

150-502-201 (Rev. 07-15)

Note: The example forms in this publication are replicas of our official forms. These forms cannot be used as official forms and blank forms are not available. Timber tax forms have pre-printed information and need to be ordered from us.

**Form
201A**

Forest Products Harvest Tax Return

2015

Department use only
Date received

Business identification number (BIN) **2010121-2**

**SAMPLE TAXPAYER
200 ANY STREET
EXAMPLE CITY OR 97219**

1 Notification of operations number	2 Operator	3 Landowner sale name/contract number	4 County	5 Township N or S	6 Range E or W	7 Section	8 Volume (MBF)
Volume subtotal							8

(Add all entries in column 8 – this page)

150-502-201-1 (Rev. 07-15)

Note: The example forms in this publication are replicas of our official forms. These forms cannot be used as official forms and blank forms are not available. Timber tax forms have pre-printed information and need to be ordered from us.

Form
390
WO

**Small Tract Forestland (STF) Severance Tax
Western Oregon**

2015

• Business identification number (BIN) **2010121-2**

Department use only		
Date received		
Payment amount		
1	2	3

**SAMPLE TAXPAYER
200 ANY STREET
EXAMPLE CITY OR 97301**

- **No harvest** – Check here, sign, and return form.
- **Amended return**
- **Another party is responsible** (attach copy of contract)
- **Exempt land** (see instructions)

Property tax account numbers:

Do not white-out, cross-out, or change printed information on the return. Attach a separate explanation of changes.

1	2	3	4	5	6	7
Notification of operations number	Landowner	County	Township N or S	Range E or W	Section	Volume (MBF)
2015-111-00367-01	SAMPLE TAXPAYER	15	38S	1W	02	100
2015-111-00368-01	SAMPLE TAXPAYER	17	37S	7W	03	37*
2015-111-00370-01	SAMPLE TAXPAYER	20	17S	2W	02	No harvest

Please attach a copy of any additional notification(s) of operations that are not printed on this form. Make check or money order payable to: Oregon Department of Revenue Mail to: Timber Tax Programs Oregon Department of Revenue PO Box 14003 Salem OR 97309-2502 Declaration: Under penalties for false swearing, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief it's true, correct, and complete.		Total volume (Total from column 7 on all pages)	8 137
		Tax rate	\$5.33
		Tax (Multiply box 8 x tax rate)	9 730.21
		Prior Payments for 2015	10 ▲
		Tax due with this return (Subtract box 10 from box 9)	11 730.21
		Overpayment If box 10 is greater than box 9 or if box 11 is negative	12 ▲
	Penalty →	Up to 3 months late, enter 0.05 x box 11 Over 3 months late, enter 0.25 x box 11	13 ▲
Signature(s) X <i>Sample Taxpayer</i>	Interest →	Number of days late x 0.000110 x box 11	14 ▲
Phone 503 777-2222	Date January 14, 2016	Total payment (Add boxes 11, 13, and 14)	15 730.21

– Keep a copy of this return for your records –

150-390-002 (Rev. 07-15)

* Note: This is from the conversion factors table.

Measurement

Logs, chips, poles, and piling must be reported in thousands of board feet (MBF). Products not measured in board feet must be converted to MBF.

Per Oregon Administrative Rule [OAR 150-321.700(13)] use the following criteria for determining which conversion factors to use.

- Loads of logs containing a minimum of 20 percent of the log count at 5", 6", and 7" scaling diameter, use the **Chip logs** conversion factor.
- Loads of logs in which all logs measure 5" scale and larger or the load contains 3 or more logs with 8" or larger scaling diameter, use the **Saw logs** conversion factor.

If the logs are to be used for:	Number of units	Divide by	=	Volume (MBF)
Chip logs				
Green chip logs	_____ Tons	11	=	_____
Saw logs				
Hardwood sawlogs or small conifer sawlogs	277 Tons	7.5	=	37

* (Note: See front page of return.)

If the product is:	Green tons of chips	Divide by	=	Volume (MBF)
Chips produced in the woods from:				
Green conifers or hardwoods	_____ Tons	11	=	_____

If the product is:	Number of units	Divide by	=	Volume (MBF)
Poles and piling and they are:				
Up to 60' length	_____ Poles	8	=	_____
Over 60' length	_____ Poles	3	=	_____

Comments: _____

Note: The example forms in this publication are replicas of our official forms. These forms cannot be used as official forms and blank forms are not available. Timber tax forms have pre-printed information and need to be ordered from us.

Form
390A
WO

**Small Tract Forestland (STF) Severance Tax
Western Oregon**

Department use only
Date received

2015

Business identification number (BIN) **2010121-2**

SAMPLE TAXPAYER
200 ANY STREET
EXAMPLE CITY OR 97301

1	2	3	4	5	6	7
• Notification of operations number	Landowner	County	Township N or S	Range E or W	Section	• Volume (MBF)
Volume subtotal						7
(Add all entries in column 7—this page)						

150-390-003 (Rev. 07-15)

Note: The example forms in this publication are replicas of our official forms. These forms cannot be used as official forms and blank forms are not available. Timber tax forms have pre-printed information and need to be ordered from us.

Form
•391
EO

**Small Tract Forestland (STF) Severance Tax
Eastern Oregon**

• 2015

• Business identification number (BIN) **2010121-2**

**SAMPLE TAXPAYER
200 ANY STREET
EXAMPLE CITY OR 97801**

Department use only		
Date received		
Payment amount		
1	2	3

- **No harvest** – Check here, sign, and return form.
- **Amended return**
- **Another party is responsible** (attach copy of contract)
- **Exempt land** (see instructions)

Property tax account numbers:

Do not white-out, cross-out, or change printed information on the return. Attach a separate explanation of changes.

1	2	3	4	5	6	7
Notification of operations number	Landowner	County	Township N or S	Range E or W	Section	Volume (MBF)
2015-111-00367-01	SAMPLE TAXPAYER	18	38S	7E	02	100
2015-111-00368-01	SAMPLE TAXPAYER	18	37S	7E	03	37*
2015-111-00369-01	SAMPLE TAXPAYER	18	37S	7E	04	No harvest

Please attach a copy of any additional notification(s) of operations that are not printed on this form.

Make check or money order payable to:
Oregon Department of Revenue

Mail to: Timber Tax Programs
Oregon Department of Revenue
PO Box 14003
Salem OR 97309-2502

Declaration: Under penalties for false swearing, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief it is true, correct, and complete.

Signature(s)

X *Sample Taxpayer*

Phone

541 999-7777

Date

January 14, 2016

Penalty → Up to 3 months late, enter 0.05 x box 11 Over 3 months late, enter 0.25 x box 11 Interest → Number of days late x 0.000110 x box 11	Total volume (Total from column 7 on all pages)	8	137
	Tax rate		\$4.15
	Tax (Multiply box 8 x tax rate)	9	568.55
	Prior payments for 2015	10	
	Tax due with this return (Subtract box 10 from box 9)	11	568.55
	Overpayment If box 10 is greater than box 9 or if box 11 is negative	12	
		13	
		14	
	Total payment (Add boxes 11, 13, and 14)	15	568.55

– Keep a copy of this return for your records –

150-391-001 (Rev. 07-15)

* Note: This is from the conversion factors table.

Measurement

Logs, chips, poles, and piling must be reported in thousands of board feet (MBF). Products not measured in board feet must be converted to MBF.

Per Oregon Administrative Rule [OAR 150-321.700(13)] use the following criteria for determining which conversion factors to use.

- Loads of logs containing a minimum of 20 percent of the log count at 5", 6", and 7" scaling diameter, use the **Chip logs** conversion factor.
- Loads of logs in which all logs measure 5" scale and larger or the load contains 3 or more logs with 8" or larger scaling diameter, use the **Saw logs** conversion factor.

If the logs are to be used for:	Number of units	Divide by	=	Volume (MBF)
CHIP LOGS Green chip logs	_____ Tons	11	=	_____
SAW LOGS Hardwood sawlogs or small conifer sawlogs	<u>277</u> Tons	7.5	=	<u>37</u>

* (Note: See front page of return.)

If the product is:	Green tons of chips	Divide by	=	Volume (MBF)
Chips produced in The woods from: Green conifers or hardwoods	_____ Tons	11	=	_____

If the product is:	Number of units	Divide by	=	Volume (MBF)
Poles and piling and they are: Up to 60' length	_____ Poles	8	=	_____
Over 60' length	_____ Poles	3	=	_____

Comments: _____

Note: The example forms in this publication are replicas of our official forms. These forms cannot be used as official forms and blank forms are not available. Timber tax forms have pre-printed information and need to be ordered from us.

Form
391A
EO

**Small Tract Forestland (STF) Severance Tax
Eastern Oregon**

2015

Department use only
Date received

Business identification number (BIN) **2010121-2**

**SAMPLE TAXPAYER
200 ANY STREET
EXAMPLE CITY OR 97801**

1 Notification of operations number	2 Landowner	3 County	4 Township N or S	5 Range E or W	6 Section	7 Volume (MBF)
Volume subtotal (Add all entries in column 7—this page)						7

150-391-002 (Rev. 07-15)

Glossary

Adjusted gross volume—An amount of wood deducted from the gross volume that has a commercial value. This includes unsound wood that is still usable to make chips for paper or wood that has been discolored by a fungus. Adjusted gross volume plus net volume make up the taxable volume for the FPHT.

Amended return—A return filed by the taxpayer to report corrections from the original return.

Business identification number (BIN)—Assigned by us to every timber taxpayer (individual or business).

Board foot—A unit of measurement representing a board one foot long, one foot wide, and one inch thick.

Bolt—A segment sawn or split from a log or any short log (usually cedar) used for shakes and shingles. Bolts are not taxed.

Chips—A small piece of wood used in the manufacture of paper and particleboard.

Contract—A written, signed, and dated agreement.

Eastern Oregon—Baker, Crook, Deschutes, Gilliam, Grant, Harney, Jefferson, Klamath, Lake, Malheur, Morrow, Sherman, Umatilla, Union, Wallowa, Wheeler, and Wasco counties

Estimated tax—Tentative calculation of tax due.

Gross volume—The full volume of a log before defects are subtracted. This volume is not used for tax calculations.

Landowner—The owner of the land (property) where the harvesting is taking place.

Legal description—A description of the land that describes where it is located.

Logs—Harvested timber that can be measured in board feet and meet utility cull or better.

MBF—Thousand board feet (1,000 bf).

Net volume—Gross volume minus defect. This measurement is used in tax calculations for STF severance tax.

Notification of operation—Notice of intent to harvest timber given to the Oregon Department of Forestry, which is furnished to us. Timber tax forms are mailed to the party indicated as timber owner.

Operator—The person who performs the harvest (such as, “the logger”).

Saw log—A log of sufficient size to be suitable for sawing .

Small saw logs—A classification of logs used by the DOR to describe saw logs that are usually purchased by weight.

Special cull—Logs that do not meet the minimum requirements of peeler or sawmill grade logs, but are suited for rotary cutting of veneer. Special culls are included in the definition of adjusted gross volume.

Stumpage—Timber in unprocessed form as found in the woods.

Timber—Merchantable logs and trees; the uncut forest.

Timber owner—The owner of the timber at the time logs are first measured. The timber owner and the landowner could be the same person.

An individual or combination of individuals, partnership, firm, corporation, or association of any nature holding title to harvested timber at first measurement. The party responsible for the timber taxes.

Utility cull—Logs that do not meet the minimum requirements of peeler or sawmill grades, but are suitable for the production of firm, usable pulp chips. Utility cull is included in the definition of adjusted gross volume.

Western Oregon—Benton, Clackamas, Clatsop, Columbia, Coos, Curry, Douglas, Hood River, Jackson, Josephine, Lane, Lincoln, Linn, Marion, Multnomah, Polk, Tillamook, Washington, and Yamhill counties.