

Income/Franchise:

Oregon: Amended Rule Reflects Extension of Elective Pass-Through Entity Level Taxation Through to 2026

Amended OAR section 150-314-0522, Or. Dept. of Rev. (12/26/23). An amended rule reflects legislation enacted in 2023 [see H.B. 2083 (2023), and previously issued Multistate Tax Alert for more details on this 2023 legislation] that extends the ability for qualifying pass-through entities (PTEs) – that is, entities taxed as S corporations and partnerships whose members are either individuals subject to Oregon’s personal income tax or other PTEs wholly owned by individuals who are subject to Oregon’s personal income tax – to elect to be subject to Oregon’s pass-through entity level tax (PTE-E) [see S.B. 727 (2021) and previously issued Multistate Tax Alert for more details on the PTE-E] through to January 1, 2026, rather than just through January 1, 2024. Please contact us with any questions.

URL: <https://secure.sos.state.or.us/oard/viewSingleRule.action?ruleVrsnRsn=297961>

URL: <https://olis.oregonlegislature.gov/liz/2023R1/Measures/Overview/HB2083>

URL: <https://www2.deloitte.com/content/dam/Deloitte/us/Documents/Tax/us-tax-multistate-tax-alert-oregon-extends-pass-through-entity-tax-and-enacts-cat-updates.pdf>

URL: <https://olis.oregonlegislature.gov/liz/2021R1/Measures/Overview/SB727>

URL: <https://www2.deloitte.com/content/dam/Deloitte/us/Documents/Tax/us-tax-mta-oregon-enacts-temporary-elective-pass-through-entity-business-alternative-income-tax.pdf>

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