



Taxpayer's Annual Worksheet for Pollution Control Facility Tax Credit

	Certificate Number	Date of Issue
Name of Taxpayer (as shown on taxpayer's return)	Social Security Number	Current Tax Year
Name of Business (if different from taxpayer)	Federal Identification Number	Business Identification Number

Business is operated as: Sole Proprietorship Partnership Corporation Fiduciary

Beginning with the year certificate was issued, enter each year of the remaining useful life (see reverse side)										
1. Annual credit	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
2. Limitation on current year credit										

Prepare and attach a schedule to show how you computed the limitation on the current year's credit entered on line 2. The tentative credit is limited to the remaining Tax Credit that hasn't already been taken as a credit in prior taxable years.

3. Adjusted tentative current year credit - line 1 minus line 2										
4. Credit carryover from prior years										

Prepare and attach a schedule to show how you computed the credit carryover amount entered on line 4. Unused credit may be carried forward three tax years. The oldest credit carryover should be used first.

5. Total credit available - line 3 plus line 4										
6. Net tax after other credits										

You are allowed to choose the order in which tax credits will be used to reduce the current year tax. Prepare and attach a schedule to show which credits you want to apply to your tax liability before the pollution control credit. Enter the net tax from your schedule on line 6.

7. Pollution control facility tax credit for this year - lesser of line 5 or line 6										
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Carry the amount on line 7 to the applicable tax credit line on your Oregon corporation, fiduciary, or individual tax return.

- See ORS 315.304(4) and OAR 150-315.304(4) for instructions regarding who may claim the credit.
- **Shareholders in an S corporation** can find information on claiming the credit in ORS 314.752.
- **Partners in a partnership** may claim a credit on their individual return based on the partner's share of the certified facility cost.
- All taxpayers should keep the original certification/worksheet in their files for audit verification. If you are a **corporation**, attach a copy to your Oregon corporation tax return if a credit is claimed.
- You can deduct depreciation on a facility even though the credit is being claimed. [OAR 150-315-304(10)] Credits claimed don't reduce your basis in the facility.
- You must notify the Department of Environmental Quality (DEQ) if you sell or otherwise dispose of the facility. DEQ will revise the certificate. The new owner may claim only the remaining credits not used by the first owner. [OAR 150.315-304(8)]

Enter the following information from the face of the Pollution Control Facility Certificate to compute the annual tax credit.

Annual Credit Work Area

\$ _____	a. Actual cost of pollution control facility ④	Example \$229,342
<u> X </u> %	b. Percent of actual cost properly allocable to pollution control ⑤	X 100%
\$ _____	c. Actual cost (a.) multiplied by Percent allocable (b.)	\$229,342
<u> X </u> 50%	d. Maximum Tax credit allowed	X 50%
\$ _____	e. Eligible Tax Credit = (c.) multiplied by (d.)	\$114,671
÷ _____	f. Remaining Useful Life (see below)	÷ 9
\$ _____	g. Yearly allowable credit	\$12,741

Remaining Useful Life

The useful life of the facility begins on the date the facility is placed in operation. The tax credit may be taken over the remaining useful life at the time of certification but not less than one year or more than ten years. Calculate the spent life by subtracting the date the facility was placed in operation from the date the certificate was issued.

Year in Date of Issue ②	_____	Example 2001
Year in Placed in Operation ③	- _____	2000
Spent Life	_____	1

Subtract the spent life from the useful life (1-year minimum, 10-year maximum.)

The 2001 legislature provided an additional three year carry forward on any unexpired tax credit that exists as of the tax year of the taxpayer that begins in the 2001 calendar year may be carried forward for a total of 6 years.

An expired tax credit is defined as, "Any tax credit otherwise allowable under this section which is not used by the taxpayer in a particular year may be carried forward and offset against the taxpayer's tax liability for the next succeeding tax year. ORS 315.304(9)"

STATE OF OREGON DEPARTMENT OF ENVIRONMENTAL QUALITY POLLUTION CONTROL FACILITY CERTIFICATE		Certificate No: 9845 ① Date of Issue: 11/1/01 ② Application No: 8888
ISSUED TO: Jane and John Doe 43 East Sumner Lane Pearson City, OR 97030	LOCATION OF POLLUTION CONTROL FACILITY: 43 East Sumner Lane Pearson City, OR 97030	
ATTENTION: Mr. and Mrs. Doe <small>The applicant is the owner of the facility. The facility is described as follows:</small>		
DESCRIPTION OF POLLUTION CONTROL FACILITY: Harbison Model 19LSD drill, Serial # 1498729002		
TYPE OF POLLUTION CONTROL FACILITY: <small>respirator source</small>		
DATE FACILITY COMPLETED: 07/00/00	PLACED INTO OPERATION: 07/00/00 ③	
ACTUAL COST OF POLLUTION CONTROL FACILITY: \$229,342 ④		
PERCENT OF ACTUAL COST PROPERLY ALLOCABLE TO POLLUTION CONTROL: 100% ⑤		
<p>Based upon the information contained in the application referenced above, the Environmental Quality Commission certifies that the facility described herein was erected, constructed or installed in accordance with the requirements of subsection (1) of ORS 315.305, applied, designed for, and properly operated and maintained to a substantial extent for the purpose of preventing, controlling or reducing air pollution from a stationary source or used oil, and that it is necessary to issue the permit and conditions of ORS 315.305(1) and (2) and the rules thereunder.</p> <p>Therefore, this Pollution Control Facility Certificate is issued in accordance with the provisions of the State of Oregon, the regulations of the Department of Environmental Quality, and the rules thereunder.</p> <ol style="list-style-type: none"> The facility shall be continuously operated at maximum efficiency for the designed purpose of preventing, controlling, and reducing the type of pollution as indicated above. The Department of Environmental Quality shall be immediately notified of any proposed change in use or method of operation of the facility and if, for any reason, the facility ceases to operate for its intended pollution control purpose. Any reports or monitoring data requested by the Department of Environmental Quality shall be promptly provided. <p>NOTE: Any portion of the facility described herein is not eligible to receive tax credit certification as an energy conservation facility or a reclaimed plastic facility (ORS 315.324(12) and ORS 315.355(4) and (5)).</p>		
Signed: _____ (Melinda S. Eden, Chair)		
Approved by the Environmental Quality Commission on 11/1/01.		