



Integrated Tax System
Modern. Simple. Better.

Modernized e-File Testing Package Tax Year 2023



City of Portland
Revenue Division

VERSION: 2023V3.0

DECEMBER 22, 2023

REVISION HISTORY			
Version	Date	Author	Change(s)
2021.0	10/28/2022	Din Belderrain	Initial release
2022v2.0	11/14/2022	Din Belderrain	<ul style="list-style-type: none">• Corrected typos in scenarios• Updated scenarios
2023v1.0	11/2/2023	Jared Eiesland	Initial release Highlighted areas are new this year
2023v2.0	12/5/2023	Jared Eiesland	IND13 rewritten to match allowable figures for federal and state laws.
2023v3.0	12/22/2023	Jared Eiesland Anna Cleveland	Corrected impossible entries for SE tax deduction and number of owners on multiple scenarios. Other adjustments and cleanup.



Table of Contents

- 1 **Introduction** 3
 - 1.1. Change Log 3
 - 1.2. Portland Revenue Division Contact Information 3
- 2 **Testing** 3
 - 2.1. Testing Procedures 3
 - 2.2. Error Categories 4
 - 2.3. Test Scenarios 4
 - 2.3.1. Individual Schemas 4
 - 2.3.2. Business Schemas 12
 - 2.3.3. Estate and Trust Schemas 14

1 Introduction

The City of Portland Revenue Division (Division), in conjunction with the Internal Revenue Service (IRS), will begin accepting through Modernized e-Filing (MeF) tax returns for the various tax programs administered by the Division system starting with tax year 2020. Requirements specific to the Division may be found in the Division's Software Developer's Guide and are intended to be supplemental to IRS Publication 4164.

The Division has schema packages for individuals, businesses, and estates and trusts. In order to participate in MeF with the Division, software vendors are required to pass annual testing.

1.1 Change Log (changes also highlighted in yellow in text)

Section - Scenario	Description	Change Date
Section 2.3.1: Individual Schemas – Scenario IND2	<ul style="list-style-type: none"> Add-back of non-business income allocated to Multnomah County and City of Portland added to test Downtown Business Incentive program credit added to test 	11/2/2023
Section 2.3.1: Individual Schemas – Scenarios IND11	<ul style="list-style-type: none"> This entity is electing the actual method for previously taxed income 	11/2/2023
Section 2.3.2: Business Schemas – Scenarios BUS1	<ul style="list-style-type: none"> Add-back of non-business income allocated to Multnomah County, City of Portland, and Metro added to test Multnomah County and City of Portland jurisdiction specific modifications added to test Subtraction of non-business income added to test for Metro Downtown Business Incentive program credit added to test 	11/2/2023
Section 2.3.3: Business Schemas – Scenario ET1	<ul style="list-style-type: none"> Add-back of non-business income allocated to Multnomah County and City of Portland added to test Multnomah County and City of Portland jurisdiction specific modifications added to test Downtown Business Incentive program credit added to test 	11/2/2023
Section 2.3.1: Individual Schemas – Scenario IND13	<ul style="list-style-type: none"> Federal and state AGI updated to allow for deductions we want to test for. 	12/5/2023

Section 2.3.1: Individual Schemas – Scenario IND1	<ul style="list-style-type: none"> • Removal of SE deduction for scenario with a negative net income. 	12/20/2023
Section 2.3.1: Individual Schemas – Scenario IND2	<ul style="list-style-type: none"> • Corrected SE deduction to match the math that would come from the federal return • Updated Downtown Business Credit amount 	12/20/2023
Section 2.3.3: Business Schemas – Scenario BUS5	<ul style="list-style-type: none"> • Addition of owners 	12/20/2023
Section 2.3.1: Individual Schemas – Scenario IND3	<ul style="list-style-type: none"> • Added amounts for Multnomah County and City of Portland gross income 	12/22/2023
Section 2.3.1: Individual Schemas – Scenario IND4	<ul style="list-style-type: none"> • Added Multnomah County gross income amount • Added number of owners • Added owners compensation deduction expectation 	12/22/2023
Section 2.3.1: Individual Schemas – Scenario IND5	<ul style="list-style-type: none"> • Updated form to BZTEXT 	12/22/2023
Section 2.3.2: Business Schemas – Scenario BUS1	<ul style="list-style-type: none"> • Added owners compensation deduction expectation • Updated Downtown Business Credit Amount • Added information for Pay Ratio Surtax schedule and updated amount 	12/22/2023
Section 2.3.2: Business Schemas – Scenario BUS2	<ul style="list-style-type: none"> • Removed Pay Ratio Surtax requirement 	12/22/2023
Section 2.3.2: Business Schemas – Scenario BUS3	<ul style="list-style-type: none"> • Added owners compensation deduction expectation 	12/22/2023
Section 2.3.2: Business Schemas – Scenario BUS4	<ul style="list-style-type: none"> • Added amounts for Multnomah County and City of Portland gross income • Provided Oregon Weight Mile Tax amount to calculate Heavy Vehicle Use Tax • Added owners and compensation deduction expectation 	12/22/2023
Section 2.3.2: Business Schemas – Scenario BUS5	<ul style="list-style-type: none"> • Added Multnomah County gross income amount • Added number of owners • Added owners compensation deduction expectation • Removed Heavy Vehicle Use Tax requirement 	12/22/2023

Section 2.3.2: Business Schemas – Scenario BUS7	<ul style="list-style-type: none"> Updated extension forms to include BZTEXT, BITEXT, and CESEXT 	12/22/2023
Section 2.3.3: Estate and Trust Schemas – ET1	<ul style="list-style-type: none"> Updated Downtown Business Credit amount 	12/22/2023
Section 2.3.3: Estate and Trust Schemas – ET2	<ul style="list-style-type: none"> Added amounts for Multnomah County and City of Portland gross income 	12/22/2023

1.2 Contact Information

Questions may be directed to the Division using any of the following methods:

By mail: City of Portland - Revenue Division
Attention: MeF Coordinator
111 SW Columbia Street, Suite 600
Portland, OR 97201

By email: PortlandMeF@portlandoregon.gov

2 Testing

2.1 Testing Procedures

Upon successful submission of a test scenario, email the following information to PortlandMeF@portlandoregon.gov:

- Test Scenario ID Number
- Your test EFIN
- Submission Date
- Submission IDs
- PDF versions of all forms and attachments generated from the software

Submissions must have been accepted for the test scenario to pass and be used for verification. Once a submission has been accepted and the data contained within has been verified, vendors will receive an email response indicating the result of the scenario. If a scenario is passed, testing for that scenario is complete. Any failed scenarios must be resubmitted until they are passed. Only the failed scenarios need to be resubmitted. Authorization to send production submissions will be granted once all applicable test scenarios have been successfully completed. The Division reserves the right to require a retest of any scenarios at the Division's discretion.

Upon completing all scenarios provided by the Division, vendors may submit additional scenarios for their own testing purposes.

2.2 Error Categories

MeF submission validation will be based on the following error categories:

- Duplicate (DUP)
- Incorrect Filing (ICF)
- Invalid Data (IVD)
- Missing Data (MDA)
- Math Error (MTE)
- Missing Documentation (MDO)
- Schema Validation (SVE)

2.3 Test Scenarios

All test submissions must include all forms, schedules, and statements required to support the filing for the scenario. All federal returns must be in XML. Therefore, a PDF of the federal return is not necessary.

2.3.1 Individual Schemas

Submissions may only be for the form that you are testing for that scenario. For example, if you are only testing sole proprietorships, only submit Form SP and all required documentation for that scenario. Unless indicated by scenario, payment information for balance due or refund direct deposit is not required.

ID	Form	Scenario
IND1	SP	<p>File Form SP where the taxpayer:</p> <ul style="list-style-type: none"> • Multnomah County Gross Income = \$2,825,968 • Total Gross Income from all sources = \$32,652,589 • Portland Gross Income = \$1,825,478 • Total Federal 1040 Schedule C net loss = (\$4,901,235) • Total Federal 1040 Schedule F net loss = (\$125,896) • Deductible SE tax and Oregon modifications = (\$25,000) • Federal 1040 Schedule B and Schedule D loss = (\$339,652) • Federal 1040 Schedule E income = \$364,491 from 6 residential rental properties located in Portland • Tax addback = \$200 • Oregon weight mile tax = \$5,000 and the taxpayer used the vehicle on Portland streets
IND2	SP	<p>File Form SP where the taxpayers are a married filing joint couple where both individuals are actively involved with the businesses. Therefore, there are two Schedule Cs. Additional information:</p> <ul style="list-style-type: none"> • Multnomah County Gross Income = \$2,825,968 • Total Gross Income from all sources = \$32,652,589 • Portland Gross Income = \$1,825,478 • Total Federal 1040 Schedule C net income = \$4,901,235

		<ul style="list-style-type: none"> • Total Federal 1040 Schedule F net income = \$125,896 • Deductible SE tax and Oregon modifications = (\$61,953) • Federal 1040 Schedule B and Schedule D Income = \$339,652 • Federal 1040 Schedule E loss = (\$364,491) from 6 residential rental properties located in Portland and Multnomah County • Tax addback = \$32,948 • Multnomah County modifications = \$18,500 • Add-back of non-business income allocated to Multnomah County = \$8,000 • Max allowed owners compensation deduction is being claimed for both jurisdictions • Max allowed NOL deduction is being claimed for both jurisdictions • Portland modifications = (\$27,500) • Add-back of non-business income allocated to City of Portland \$5,000 • Downtown Business Incentive credit = (\$165) • Oregon weight mile tax = \$5,000 and the taxpayer used the vehicle on Portland streets • Prepayments = \$40,000 <p>Request that part of the overpayment be a refund and the other part as a credit carryforward. Include banking information for refund direct deposit.</p>
IND3	SP	<p>Submit a filing where:</p> <ul style="list-style-type: none"> • Taxpayer is requesting to be exempt from Multnomah County Business Income tax and Portland Business Tax • Multnomah County gross income = \$49,000 • Portland gross income = \$49,000 • Total gross income = \$49,000 • Taxpayer has 2 residential rental units located in Portland <p>Include banking information for payment.</p>
IND4	SP	<p>Submit a filing where:</p> <ul style="list-style-type: none"> • Taxpayer is requesting to be exempt from Multnomah County Business Income • Multnomah County gross income = \$90,000 • Portland gross income = \$90,000 • Total gross income = \$90,000 • Number of owners = 1 • Schedule C loss = (\$1,000) • Schedule E income = \$1,500 • Tax addback = \$200

		<ul style="list-style-type: none"> • Max allowed owners compensation deduction is being claimed for Portland • Oregon Weight Mile tax = \$9,000 and the taxpayer used the vehicle on Portland streets • Taxpayer has 3 residential rental units located in Portland • Prepayments = \$500 <p>Request that the overpayment be applied as a credit carryforward to the next year.</p>
IND5	BZTEXT	File extension. Include banking information for payment.
IND6	MC40	<p>File Form MC40 where:</p> <ul style="list-style-type: none"> • Filing status = single • Oregon taxable income = \$276,224 • Exempt income = \$15,000 • Pass through income received from Test, LLC <ul style="list-style-type: none"> ○ Total pass-through income = \$5,000 ○ Modification percentage = 100% • Pass through income received from Test, Inc. <ul style="list-style-type: none"> ○ Total pass-through income = \$16,000 ○ Modification percentage = 80% • Credit for tax paid to another state = \$500 • Employer withholding = \$2,500 • Prepayments = \$1,000 <p>Request that part of the overpayment be refunded, and part of the payment be applied as a credit carryforward to the next year. Include banking information for refund request to be directly deposited.</p>
IND7	MC40	<p>File Form MC40 where:</p> <ul style="list-style-type: none"> • Filing status = married filing joint • Oregon taxable income = \$760,000 • Exempt income = \$12,000 • Pass through loss from Test, Inc. <ul style="list-style-type: none"> ○ Total pass-through loss = (\$35,000) ○ Modification percentage = 32% • Employer withholding = \$4,725 <p>Include banking information for payment.</p>

IND8	MC40NP	<p>File Form MC40NP where:</p> <ul style="list-style-type: none"> Filing status = single Schedule INC information <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 40%;">Income</th> <th style="width: 30%;">Federal</th> <th style="width: 30%;">Multnomah</th> </tr> </thead> <tbody> <tr> <td>Wages</td> <td>\$500,000</td> <td>\$450,000</td> </tr> <tr> <td>Interest</td> <td>\$1,500</td> <td>\$1,000</td> </tr> <tr> <td>Business loss</td> <td>(\$25,000)</td> <td>(\$10,000)</td> </tr> <tr> <td>Capital gain</td> <td>\$350</td> <td>\$350</td> </tr> <tr> <td>Schedule E income</td> <td>\$125,000</td> <td>\$75,000</td> </tr> </tbody> </table> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 40%;">Adjustments</th> <th style="width: 30%;">Federal</th> <th style="width: 30%;">Multnomah</th> </tr> </thead> <tbody> <tr> <td>Educator expenses</td> <td>(\$200)</td> <td>(\$200)</td> </tr> </tbody> </table> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2">Allowable Multnomah County Deduction</th> </tr> </thead> <tbody> <tr> <td style="width: 50%;">Oregon itemized or standard deduction</td> <td>(\$14,000)</td> </tr> <tr> <td>Federal tax liability subtraction</td> <td>(\$6,500)</td> </tr> <tr> <td>Charitable Art Donation</td> <td>(\$600)</td> </tr> </tbody> </table> <ul style="list-style-type: none"> Pass through income modification from Pass Thru, Inc. <ul style="list-style-type: none"> Loss = (\$50,000) Ownership percentage = 8% Schedule MC-40-NP ASC information <ul style="list-style-type: none"> Section 1: Adjustments <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 20%;">Code</th> <th style="width: 40%;">Federal</th> <th style="width: 40%;">Multnomah</th> </tr> </thead> <tbody> <tr> <td>38</td> <td>(\$500)</td> <td>(\$500)</td> </tr> </tbody> </table> Section 2: Additions <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 20%;">Code</th> <th style="width: 40%;">Federal</th> <th style="width: 40%;">Multnomah</th> </tr> </thead> <tbody> <tr> <td>124</td> <td>\$2,000</td> <td>\$1,500</td> </tr> </tbody> </table> Section 3: Subtractions <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 20%;">Code</th> <th style="width: 40%;">Federal</th> <th style="width: 40%;">Multnomah</th> </tr> </thead> <tbody> <tr> <td>350</td> <td>(\$1,500)</td> <td>(\$1,200)</td> </tr> </tbody> </table> Section 4: Modifications 	Income	Federal	Multnomah	Wages	\$500,000	\$450,000	Interest	\$1,500	\$1,000	Business loss	(\$25,000)	(\$10,000)	Capital gain	\$350	\$350	Schedule E income	\$125,000	\$75,000	Adjustments	Federal	Multnomah	Educator expenses	(\$200)	(\$200)	Allowable Multnomah County Deduction		Oregon itemized or standard deduction	(\$14,000)	Federal tax liability subtraction	(\$6,500)	Charitable Art Donation	(\$600)	Code	Federal	Multnomah	38	(\$500)	(\$500)	Code	Federal	Multnomah	124	\$2,000	\$1,500	Code	Federal	Multnomah	350	(\$1,500)	(\$1,200)
Income	Federal	Multnomah																																																		
Wages	\$500,000	\$450,000																																																		
Interest	\$1,500	\$1,000																																																		
Business loss	(\$25,000)	(\$10,000)																																																		
Capital gain	\$350	\$350																																																		
Schedule E income	\$125,000	\$75,000																																																		
Adjustments	Federal	Multnomah																																																		
Educator expenses	(\$200)	(\$200)																																																		
Allowable Multnomah County Deduction																																																				
Oregon itemized or standard deduction	(\$14,000)																																																			
Federal tax liability subtraction	(\$6,500)																																																			
Charitable Art Donation	(\$600)																																																			
Code	Federal	Multnomah																																																		
38	(\$500)	(\$500)																																																		
Code	Federal	Multnomah																																																		
124	\$2,000	\$1,500																																																		
Code	Federal	Multnomah																																																		
350	(\$1,500)	(\$1,200)																																																		

		<table border="1"> <tr> <th>Code</th> <th>Oregon</th> </tr> <tr> <td>650</td> <td>\$750</td> </tr> </table> <ul style="list-style-type: none"> • Credit for tax paid to another state = \$450 • Employer withholding = \$3,750 • Prepayments = \$3,000 <p>Banking information not required for balance due.</p>	Code	Oregon	650	\$750																																				
Code	Oregon																																									
650	\$750																																									
IND9	MC40NP	<p>File Form MC40NP where:</p> <ul style="list-style-type: none"> • Filing status = head of household • Schedule INC information: <table border="1"> <thead> <tr> <th>Income</th> <th>Federal</th> <th>Multnomah</th> </tr> </thead> <tbody> <tr> <td>Wages</td> <td>\$1,200,000</td> <td>\$800,000</td> </tr> <tr> <td>Dividend income</td> <td>\$500</td> <td>\$500</td> </tr> <tr> <td>State and local income refund</td> <td>\$200</td> <td>\$0</td> </tr> <tr> <td>Alimony received</td> <td>\$15,000</td> <td>\$15,000</td> </tr> <tr> <td>Other gains (losses)</td> <td>\$56,000</td> <td>\$47,501</td> </tr> </tbody> </table> <table border="1"> <thead> <tr> <th>Adjustments</th> <th>Federal</th> <th>Multnomah</th> </tr> </thead> <tbody> <tr> <td>Moving expenses</td> <td>(\$10,000)</td> <td>(\$10,000)</td> </tr> </tbody> </table> <table border="1"> <thead> <tr> <th colspan="2">Subtractions</th> </tr> </thead> <tbody> <tr> <td>Oregon PERS</td> <td>(\$36,422)</td> </tr> </tbody> </table> <table border="1"> <thead> <tr> <th colspan="2">Allowable Multnomah County Deduction</th> </tr> </thead> <tbody> <tr> <td>Oregon itemized or standard deduction</td> <td>(\$8,367)</td> </tr> <tr> <td>Federal tax liability subtraction</td> <td>(\$5,500)</td> </tr> </tbody> </table> <ul style="list-style-type: none"> • Pass through income modification from Pass Thru, Inc. <ul style="list-style-type: none"> ○ Loss = (\$50,000) ○ Ownership percentage = 43% • Schedule MC-40-NP ASC information <ul style="list-style-type: none"> ○ Section 1: Adjustments <table border="1"> <thead> <tr> <th>Code</th> <th>Federal</th> <th>Multnomah</th> </tr> </thead> <tbody> <tr> <td>4</td> <td>(\$250)</td> <td>(\$250)</td> </tr> </tbody> </table> <ul style="list-style-type: none"> ○ Section 2: Additions 	Income	Federal	Multnomah	Wages	\$1,200,000	\$800,000	Dividend income	\$500	\$500	State and local income refund	\$200	\$0	Alimony received	\$15,000	\$15,000	Other gains (losses)	\$56,000	\$47,501	Adjustments	Federal	Multnomah	Moving expenses	(\$10,000)	(\$10,000)	Subtractions		Oregon PERS	(\$36,422)	Allowable Multnomah County Deduction		Oregon itemized or standard deduction	(\$8,367)	Federal tax liability subtraction	(\$5,500)	Code	Federal	Multnomah	4	(\$250)	(\$250)
Income	Federal	Multnomah																																								
Wages	\$1,200,000	\$800,000																																								
Dividend income	\$500	\$500																																								
State and local income refund	\$200	\$0																																								
Alimony received	\$15,000	\$15,000																																								
Other gains (losses)	\$56,000	\$47,501																																								
Adjustments	Federal	Multnomah																																								
Moving expenses	(\$10,000)	(\$10,000)																																								
Subtractions																																										
Oregon PERS	(\$36,422)																																									
Allowable Multnomah County Deduction																																										
Oregon itemized or standard deduction	(\$8,367)																																									
Federal tax liability subtraction	(\$5,500)																																									
Code	Federal	Multnomah																																								
4	(\$250)	(\$250)																																								

		<table border="1"> <thead> <tr> <th>Code</th> <th>Federal</th> <th>Multnomah</th> </tr> </thead> <tbody> <tr> <td>153</td> <td>\$12,500</td> <td>\$10,200</td> </tr> </tbody> </table> <ul style="list-style-type: none"> ○ Section 3: Subtractions <table border="1"> <thead> <tr> <th>Code</th> <th>Federal</th> <th>Multnomah</th> </tr> </thead> <tbody> <tr> <td>337</td> <td>(\$800)</td> <td>(\$700)</td> </tr> </tbody> </table> <ul style="list-style-type: none"> ○ Section 4: Modifications <table border="1"> <thead> <tr> <th>Code</th> <th>Oregon</th> </tr> </thead> <tbody> <tr> <td>680</td> <td>(\$600)</td> </tr> </tbody> </table> <ul style="list-style-type: none"> ● Credit for tax paid to another state = \$3,300 ● Employer withholding = \$12,000 ● Prepayments = \$5,500 <p>Request that the overpayment be partially refunded and partially credit carryforward to the next year. Banking information not required.</p>	Code	Federal	Multnomah	153	\$12,500	\$10,200	Code	Federal	Multnomah	337	(\$800)	(\$700)	Code	Oregon	680	(\$600)
Code	Federal	Multnomah																
153	\$12,500	\$10,200																
Code	Federal	Multnomah																
337	(\$800)	(\$700)																
Code	Oregon																	
680	(\$600)																	
IND10	MET40	<p>File Form MET40 where:</p> <ul style="list-style-type: none"> ● Filing status = single ● Oregon taxable income = \$215,000 ● Exempt income = \$5,000 ● Employer withholding = \$180 ● Pass through income modification from Pass Thru, Inc. <ul style="list-style-type: none"> ○ Loss = (\$10,250) ○ Ownership percentage = 75% <p>Include banking information for payment.</p>																
IND11	MET40	<p>File Form MET40 where:</p> <ul style="list-style-type: none"> ● Filing status = qualifying surviving spouse ● Oregon taxable income = \$415,240 ● Exempt income = \$2,000 ● Pass through income modification from Pass Thru, Inc. <ul style="list-style-type: none"> ○ Loss = (\$10,250) ○ Ownership percentage = 75% ○ The entity is electing the actual method for previously taxed income ● Credit for tax paid to another state = \$180 ● Employer withholding = \$4,150 ● Prepayments = \$1,000 																

		Request that part of the overpayment be refunded, and part of the payment be applied as a credit carryforward to the next year. Include banking information for the refund to be direct deposited.																																														
IND12	MET40NP	<p>File Form MET40NP where:</p> <ul style="list-style-type: none"> Filing status = married filing separately Schedule INC information: <table border="1"> <thead> <tr> <th>Income</th> <th>Federal</th> <th>Metro</th> </tr> </thead> <tbody> <tr> <td>Wages</td> <td>\$860,000</td> <td>\$742,500</td> </tr> <tr> <td>Interest income</td> <td>\$1,200</td> <td>\$800</td> </tr> <tr> <td>Business income</td> <td>(\$125,000)</td> <td>(\$115,000)</td> </tr> <tr> <td>Schedule E income</td> <td>(\$12,000)</td> <td>(\$12,000)</td> </tr> <tr> <td>Farm income</td> <td>\$2,500</td> <td>\$2,500</td> </tr> </tbody> </table> <table border="1"> <thead> <tr> <th>Adjustments</th> <th>Federal</th> <th>Metro</th> </tr> </thead> <tbody> <tr> <td>IRA contribution</td> <td>\$0</td> <td>\$0</td> </tr> <tr> <td>Self-employed health insurance deduction</td> <td>(\$15,000)</td> <td>(\$10,000)</td> </tr> <tr> <td>Alimony paid</td> <td>(\$5,000)</td> <td>(\$3,500)</td> </tr> </tbody> </table> <table border="1"> <thead> <tr> <th colspan="2">Subtractions</th> </tr> </thead> <tbody> <tr> <td>Social Security benefits</td> <td>(\$15,000)</td> </tr> </tbody> </table> <table border="1"> <thead> <tr> <th colspan="2">Allowable Metro Deduction</th> </tr> </thead> <tbody> <tr> <td>Oregon itemized or standard deduction</td> <td>(\$13,200)</td> </tr> <tr> <td>Federal tax liability subtraction</td> <td>(\$4,000)</td> </tr> </tbody> </table> <ul style="list-style-type: none"> Pass through income modifications <ul style="list-style-type: none"> Local Biz, LLC <ul style="list-style-type: none"> Income = \$20,000 Modification percentage = 15% Pass Thru, Inc. <ul style="list-style-type: none"> Loss = (\$10,000) Modification percentage = 50% Schedule MET-40-NP ASC information <ul style="list-style-type: none"> Section 2: Additions <table border="1"> <thead> <tr> <th>Code</th> <th>Federal</th> <th>Metro</th> </tr> </thead> <tbody> <tr> <td>105</td> <td>\$600</td> <td>\$400</td> </tr> </tbody> </table>	Income	Federal	Metro	Wages	\$860,000	\$742,500	Interest income	\$1,200	\$800	Business income	(\$125,000)	(\$115,000)	Schedule E income	(\$12,000)	(\$12,000)	Farm income	\$2,500	\$2,500	Adjustments	Federal	Metro	IRA contribution	\$0	\$0	Self-employed health insurance deduction	(\$15,000)	(\$10,000)	Alimony paid	(\$5,000)	(\$3,500)	Subtractions		Social Security benefits	(\$15,000)	Allowable Metro Deduction		Oregon itemized or standard deduction	(\$13,200)	Federal tax liability subtraction	(\$4,000)	Code	Federal	Metro	105	\$600	\$400
Income	Federal	Metro																																														
Wages	\$860,000	\$742,500																																														
Interest income	\$1,200	\$800																																														
Business income	(\$125,000)	(\$115,000)																																														
Schedule E income	(\$12,000)	(\$12,000)																																														
Farm income	\$2,500	\$2,500																																														
Adjustments	Federal	Metro																																														
IRA contribution	\$0	\$0																																														
Self-employed health insurance deduction	(\$15,000)	(\$10,000)																																														
Alimony paid	(\$5,000)	(\$3,500)																																														
Subtractions																																																
Social Security benefits	(\$15,000)																																															
Allowable Metro Deduction																																																
Oregon itemized or standard deduction	(\$13,200)																																															
Federal tax liability subtraction	(\$4,000)																																															
Code	Federal	Metro																																														
105	\$600	\$400																																														

		<ul style="list-style-type: none"> ○ Section 3: Subtractions <table border="1" data-bbox="638 336 1373 411"> <thead> <tr> <th>Code</th> <th>Federal</th> <th>Metro</th> </tr> </thead> <tbody> <tr> <td>320</td> <td>(\$200)</td> <td>(\$200)</td> </tr> </tbody> </table> <ul style="list-style-type: none"> • Credit for tax paid to another state = \$300 • Employer withholding = \$1,400 • Prepayments = \$700 <p>Include banking information for payment.</p>	Code	Federal	Metro	320	(\$200)	(\$200)																																							
Code	Federal	Metro																																													
320	(\$200)	(\$200)																																													
IND13	MET40NP	<p>File Form MET40NP where:</p> <ul style="list-style-type: none"> • Filing status = married filing jointly • Schedule INC information: <table border="1" data-bbox="583 804 1373 989"> <thead> <tr> <th>Income</th> <th>Federal</th> <th>Metro</th> </tr> </thead> <tbody> <tr> <td>Wages</td> <td>\$200,000</td> <td>\$200,000</td> </tr> <tr> <td>Interest income</td> <td>\$2,500</td> <td></td> </tr> <tr> <td>Alimony received</td> <td>\$15,000</td> <td>\$15,000</td> </tr> <tr> <td>Business income</td> <td>\$3,500</td> <td></td> </tr> </tbody> </table> <table border="1" data-bbox="583 1026 1373 1178"> <thead> <tr> <th>Adjustments</th> <th>Federal</th> <th>Metro</th> </tr> </thead> <tbody> <tr> <td>IRA contribution</td> <td>(\$500)</td> <td>(\$500)</td> </tr> <tr> <td>Educator expenses</td> <td>(\$200)</td> <td>(\$200)</td> </tr> <tr> <td>Moving expenses</td> <td>(\$5,000)</td> <td>(\$5,000)</td> </tr> </tbody> </table> <table border="1" data-bbox="583 1215 1133 1400"> <thead> <tr> <th colspan="2">Allowable Metro Deduction</th> </tr> </thead> <tbody> <tr> <td>Oregon itemized or standard deduction</td> <td>(\$4,840)</td> </tr> <tr> <td>Federal tax liability subtraction</td> <td>(\$1,450)</td> </tr> </tbody> </table> <ul style="list-style-type: none"> • Schedule MC-40-NP ASC information <ul style="list-style-type: none"> ○ Section 2: Additions <table border="1" data-bbox="638 1501 1373 1577"> <thead> <tr> <th>Code</th> <th>Federal</th> <th>Metro</th> </tr> </thead> <tbody> <tr> <td>106</td> <td>\$5,000</td> <td>\$3,150</td> </tr> </tbody> </table> <ul style="list-style-type: none"> ○ Section 3: Subtractions <table border="1" data-bbox="638 1677 1373 1753"> <thead> <tr> <th>Code</th> <th>Federal</th> <th>Metro</th> </tr> </thead> <tbody> <tr> <td>360</td> <td>(\$700)</td> <td>(\$700)</td> </tr> </tbody> </table> <ul style="list-style-type: none"> • Credit for tax paid to another state = \$3,300 • Employer withholding = \$3,500 	Income	Federal	Metro	Wages	\$200,000	\$200,000	Interest income	\$2,500		Alimony received	\$15,000	\$15,000	Business income	\$3,500		Adjustments	Federal	Metro	IRA contribution	(\$500)	(\$500)	Educator expenses	(\$200)	(\$200)	Moving expenses	(\$5,000)	(\$5,000)	Allowable Metro Deduction		Oregon itemized or standard deduction	(\$4,840)	Federal tax liability subtraction	(\$1,450)	Code	Federal	Metro	106	\$5,000	\$3,150	Code	Federal	Metro	360	(\$700)	(\$700)
Income	Federal	Metro																																													
Wages	\$200,000	\$200,000																																													
Interest income	\$2,500																																														
Alimony received	\$15,000	\$15,000																																													
Business income	\$3,500																																														
Adjustments	Federal	Metro																																													
IRA contribution	(\$500)	(\$500)																																													
Educator expenses	(\$200)	(\$200)																																													
Moving expenses	(\$5,000)	(\$5,000)																																													
Allowable Metro Deduction																																															
Oregon itemized or standard deduction	(\$4,840)																																														
Federal tax liability subtraction	(\$1,450)																																														
Code	Federal	Metro																																													
106	\$5,000	\$3,150																																													
Code	Federal	Metro																																													
360	(\$700)	(\$700)																																													

		<ul style="list-style-type: none"> • Prepayments = \$2,000 <p>Request that the overpayment be partially refunded and partially credit carryforward to the next year. Banking information not required.</p>
IND14	ART	File Form ART that results in a liability. Include an ACH payment.
IND15	ART	File Form ART. Individual has less than \$1,000 of taxable income.
IND16	ART	File Form ART requesting household poverty exemption.

2.3.2 Business Schemas

Submissions may be only for the form that you are testing for that scenario. For example, if you are only testing partnerships, only submit Form P and all required documentation for that scenario.

ID	Form	Scenario
BUS1	SC, C, P, METBIT20, METBIT20S, METBIT65	<p>Submit a filing where:</p> <ul style="list-style-type: none"> • For SC, C, P <ul style="list-style-type: none"> ○ Multnomah County gross income = \$2,825,968 ○ Portland gross income = \$1,825,478 ○ Number of owners = 5.036100 (controlling shareholders for SC, C; general partners for P) ○ Compensation add back = \$3,658,521 ○ Max allowed owners compensation deduction is being claimed for both jurisdictions ○ Multnomah County modifications = (\$88,000) ○ Add-back of non-business income allocated to Multnomah County = \$60,000 ○ Portland modifications = (\$77,000) ○ Add-back of non-business income allocated to Portland = \$50,000 ○ Downtown Business Incentive credit = (\$316) ○ Heavy Vehicle Use Tax = \$150 ○ Pay Ratio Surtax = \$822 (Form C only) <ul style="list-style-type: none"> ▪ CEO Compensation = \$2,000,000 ▪ Median Compensation = \$4,000 ○ Number of residential rental units located in Portland subject to fee = 6 • For METBIT20, METBIT20S, METBIT65 <ul style="list-style-type: none"> ○ Metro gross income = \$2,825,968 ○ Subtraction of non-business income = (\$20,000) ○ Add-Back of non-business income allocated to Metro = \$15,000 • For all forms <ul style="list-style-type: none"> ○ Total gross income from all sources = \$32,652,589 ○ Net income = \$5,369,321 ○ Tax addback = \$32,948

		<ul style="list-style-type: none"> ○ Other subtractions = (\$60,790) ○ Taxpayer is taking the maximum allowed NOL deduction <p>Include banking information for payment.</p>
BUS2	SC, C, P, METBIT20, METBIT20S, METBIT65	<p>Submit a filing where:</p> <ul style="list-style-type: none"> ● For SC, C, P <ul style="list-style-type: none"> ○ Multnomah County gross income = \$45,008,384 ○ Portland gross income = \$40,000,384 ○ Number of owners = 2 (controlling shareholders for SC, C; general partners for P) ○ Compensation add back = \$150,000 ○ Heavy Vehicle Use Tax = \$150 ○ Pay Ratio Surtax = \$753 (Form C only) ○ Number of residential rental units located in Portland subject to fee = 6 ● For METBIT20, METBIT20S, METBIT65 <ul style="list-style-type: none"> ○ Metro gross income = \$45,008,384 ● For all forms <ul style="list-style-type: none"> ○ Total gross income from all sources = \$68,999,154 ○ Net loss = (\$3,481,348) ○ Tax addback = \$200 ○ Other additions = \$86,000 ● Prepayments = \$2,000 <p>Request that part of the overpayment be a credit carryforward and part of the overpayment be refunded. Include banking information for the refund.</p>
BUS3	SC, C, P, METBIT20, METBIT20S, METBIT65	<p>Submit a filing for a short year where:</p> <ul style="list-style-type: none"> ● For SC, C, P <ul style="list-style-type: none"> ○ Multnomah County gross income = \$123,859,431 ○ Portland gross income = \$40,000,384 ○ Number of owners = 1 (controlling shareholder for SC, C; general partner for P) ○ Compensation add back = \$350,000 ○ Max allowed owners compensation deduction is being claimed for both jurisdictions ● For METBIT20, METBIT20S, METBIT65 <ul style="list-style-type: none"> ○ Metro gross income = \$123,859,431 ● For all forms <ul style="list-style-type: none"> ○ Total gross income from all sources = \$1,000,054,388 ○ Net income = \$168,421,568 ○ Tax addback = \$13,958,438 ○ Prepayments = \$700,000

		Include banking information for refund to be direct deposited.									
BUS4	SC, C, P	<p>Submit a filing where:</p> <ul style="list-style-type: none"> • Taxpayer is requesting to be exempt from Multnomah County Business Income tax and Portland Business Tax • Multnomah County gross income = \$49,000 • Portland gross income = \$49,000 • Total gross income = \$49,000 • Oregon weight mile tax = \$5,000 and the taxpayer used the vehicle on Portland streets • No owners or compensation add back • Number of residential rental units located in Portland subject to fee = 1 <p>Include banking information for payment.</p>									
BUS5	SC, C, P	<p>Submit a filing where:</p> <ul style="list-style-type: none"> • Taxpayer is requesting to be exempt from Multnomah County Business Income Tax • Multnomah County gross income = \$90,000 • Portland gross income = \$90,000 • Total gross income = \$90,000 • Net income = \$700 • Tax addback = \$200 • Number of owners = 1 (controlling shareholder for SC, C; general partner for P) <ul style="list-style-type: none"> ○ No owners compensation add back • Max allowed owners compensation deduction is being claimed for Portland • Heavy Vehicle Use Tax = \$100 • Taxpayer has 3 residential rental units located in Portland • Prepayments = \$500 <p>Request that the overpayment be applied as a credit carryforward to the next year.</p>									
BUS6	CES	<p>Submit a filing where:</p> <table border="1" data-bbox="576 1585 1477 1696"> <thead> <tr> <th></th> <th>Everywhere</th> <th>Portland</th> </tr> </thead> <tbody> <tr> <td>Gross income</td> <td>\$1,100,000,000</td> <td>\$95,000,000</td> </tr> <tr> <td>Non-retail sales</td> <td>\$100,000,000</td> <td>\$8,636,364</td> </tr> </tbody> </table> <ul style="list-style-type: none"> • Retail Sales of Qualified Groceries = \$150,000 • Retail Sales of Qualified Medicine or Drugs = \$250,000 • Retail Sales of Qualified Health Care Services = \$5,000,000 		Everywhere	Portland	Gross income	\$1,100,000,000	\$95,000,000	Non-retail sales	\$100,000,000	\$8,636,364
	Everywhere	Portland									
Gross income	\$1,100,000,000	\$95,000,000									
Non-retail sales	\$100,000,000	\$8,636,364									

		<ul style="list-style-type: none"> • Retail Sales of Qualified Residential Garbage and Recycling Services = \$700,000 • Portland Business License Tax paid = \$608,442 • Prepayments = \$800,000 <p>Include banking information for refund.</p>
BUS7	BZTEXT, BITEXT, CESEXT	Submit an extension. Include banking information for electronic payment.

2.3.3 Estate and Trust Schemas

These scenarios are the same as the business scenarios. They are in a separate section because they are a separate schema package.

ID	Form	Scenario
ET1	E, METBIT41	<p>Submit a filing where:</p> <ul style="list-style-type: none"> • For E <ul style="list-style-type: none"> ○ Multnomah County gross income = \$2,825,968 ○ Portland gross income = \$1,825,478 ○ Multnomah County modifications = (\$15,000) ○ Add-back of non-business income allocated to Multnomah County = \$15,000 ○ Portland modifications = (\$20,000) ○ Add-back of non-business income allocated to City of Portland = \$20,000 ○ Downtown Business Incentive credit = (\$198) ○ HVT = \$150 ○ Taxpayer has 6 residential rental units located in Portland • For METBIT41 <ul style="list-style-type: none"> ○ Metro gross income = \$2,825,968 • For all forms <ul style="list-style-type: none"> ○ Total gross income from all sources = \$32,652,589 ○ Net income = \$5,369,321 ○ Tax addback = \$32,948 ○ Other subtractions = (\$60,790) ○ Taxpayer is taking the maximum allowed NOL deduction ○ Prepayments = \$10,000 <p>Request that part of the overpayment be a credit carryforward and part of the overpayment be refunded. Include banking information for the refund.</p>
ET2	E	Submit a filing where:

		<ul style="list-style-type: none"> • Taxpayer is requesting to be exempt from Multnomah County Business Income tax and Portland Business Tax • Multnomah County gross income = \$49,000 • Portland gross income = \$49,000 • Total gross income = \$49,000 • Taxpayer owns 4 residential rental units located in Portland <p>Include banking information for payment.</p>
ET3	E, METBIT41	<p>Submit a filing for a short year where:</p> <ul style="list-style-type: none"> • For E <ul style="list-style-type: none"> ○ Multnomah County gross income = \$1,238,594 ○ Portland gross income = \$1,238,594 • For METBIT41 <ul style="list-style-type: none"> ○ Metro gross income = \$1,238,594 • For all forms <ul style="list-style-type: none"> ○ Total gross income from all sources = \$7,238,594 ○ Net loss = (\$195,786) ○ Tax addback = \$200 <p>Banking information not required for amount due.</p>

2.3.4 Additional Scenarios

Alternative or additional testing scenarios are allowed and expected on an as needed basis determined by software vendors.