

CLEAN ENERGY SURCHARGE **FORM CES-2020**
 City of Portland Business Income Tax



DUE DATE: 15th day of 4th month after taxable year end

TAX YEAR	
From: _____ to _____	
ACCOUNT #	FEIN
CES-	
<input type="checkbox"/> FEDERAL EXTENSION	<input type="checkbox"/> CEASED BUSINESS <i>(attach explanation)</i>
<input type="checkbox"/> AMENDED RETURN	

OFFICIAL USE ONLY

ENTITY FILING IN OREGON	<input type="checkbox"/> Check if merged/reorganized	NAICS
MAILING ADDRESS <input type="checkbox"/> Check if changed	CITY	STATE/PROV ZIP CODE
NAME OF PARENT CORPORATION, IF APPLICABLE		FEIN OF PARENT CORP.
IF MERGED / REORGANIZED, ENTER NAME OF PREVIOUS BUSINESS		FEIN OF PREVIOUS BUSINESS

Filing Requirement

	Everywhere	City of Portland
1. Gross Income <i>(as reported on Lines 18a/18b of your Combined Tax Return)</i>	1. <input style="width: 100px; height: 20px;" type="text"/>	<input style="width: 100px; height: 20px;" type="text"/>

Large Retailer Determination

2. Less: Non-Retail Sales..... <i>Enter as negative sum →</i>	2. <input style="width: 100px; height: 20px;" type="text"/>	<input style="width: 100px; height: 20px;" type="text"/>
3. Total Retail Sales* (Line 1 minus Line 2)	3. <input style="width: 100px; height: 20px;" type="text"/>	<input style="width: 100px; height: 20px;" type="text"/>

Retail Gross Revenue Calculation

4. Less: Retail Sales of Qualified Groceries <i>Enter as negative sum →</i>	4. <input style="width: 100px; height: 20px;" type="text"/>
5. Less: Retail Sales of Qualified Medicine or Drugs	5. <input style="width: 100px; height: 20px;" type="text"/>
6. Less: Retail Sales of Qualified Health Care Services	6. <input style="width: 100px; height: 20px;" type="text"/>
7. Less: Retail Sales of Qualified Residential Garbage and Recycling Services	7. <input style="width: 100px; height: 20px;" type="text"/>
8. Less: Retail Sales from the administration of Qualified Retirement Plans	8. <input style="width: 100px; height: 20px;" type="text"/>
9. Less: Portland Business License Tax Paid	9. <input style="width: 100px; height: 20px;" type="text"/>
10. Retail Gross Revenue Subject to Surcharge (sum of Lines 3 through 9)	10. <input style="width: 100px; height: 20px;" type="text"/>
11. Clean Energy Surcharge (Line 10 x .01)	11. <input style="width: 100px; height: 20px;" type="text"/>
12. Prepayments <i>Enter as negative sum →</i>	12. <input style="width: 100px; height: 20px;" type="text"/>
13. Penalty	13. <input style="width: 100px; height: 20px;" type="text"/>
14. Interest	14. <input style="width: 100px; height: 20px;" type="text"/>
15. Clean Energy Surcharge Due or (Overpaid)	15. <input style="width: 100px; height: 20px;" type="text"/>
16a. Amount of any overpayment reported on Line 15 you would like refunded to you	16a. <input style="width: 100px; height: 20px;" type="text"/>
16b. Amount of any overpayment reported on Line 15 you would like credited to tax year 2021	16b. <input style="width: 100px; height: 20px;" type="text"/>

*Fill in the amount of motor vehicle fuel sales included in Portland Retail Sales on line 3:

The undersigned declares that the information given on this report is true. The undersigned is authorized to act as a representative of the filer. Filers of incomplete returns may be subject to civil penalties of up to \$500.

Signature of Preparer _____ Date _____

Preparer's Name _____ Preparer Phone Number () _____

Mail FORM CES (and payment, if applicable) to: Revenue Division, 111 SW Columbia St. Suite 600, Portland, OR 97201-5840
Phone (503) 823-5157 | FAX (503) 823-5192 | TDD (503) 823-6868

FORM CES-2020 GENERAL INFORMATION

IMPORTANT REMINDERS

There is no extension to pay. The Revenue Division generally does not allow an extension of time to pay your tax, even if the IRS is allowing an extension. When you request an extension, the extension is for additional time to file your tax return only.

Manage Your Tax Account Online. The Revenue Division has launched a new taxpayer portal with new tools that can be used to manage your Clean Energy Surcharge account. Portland Revenue Online (PRO) allows you to:

- Register your business
- Update your business account information
- File a Combined Tax Return
- Make payments
- Upload supporting tax pages and documents
- View correspondence mailed to you
- Provide Third-Party Access to your preparer

For more information and to create your account, please visit Pro.Portland.gov

Motor Vehicle Fuel Sales. If you are subject to paying the Clean Energy Surcharge and have sales of motor vehicle fuel sales in your Portland Retail Sales, you are required to disclose the amount of motor vehicle fuels sales included in Portland Retail Sales on Form CES.

WHAT'S NEW?

Form CES. For tax years beginning on or after January 1, 2020, the Clean Energy Surcharge (CES) will no longer be included on the Combined Tax Return. All prepayments, refunds, and credit carryforwards for the CES will be reported on Form CES.

AMENDED RETURNS

The Revenue Division does not have a separate amended form for CES. To amend your Form CES, use the Form CES for the tax year being amending and check the "Amended" box. If the address for the year you're amending has changed, use your current mailing address and check the "Mailing Address Change" box

Fill in all amounts on your amended Form CES, even if they are the same as originally filed. If you are amending to change any deductions from Retail Sales, include detail of all items and amounts.

If you change your gross income by filing an original or amended federal or Oregon income/excise tax return, you must file an amended Form CES within 60 days of when the

original or amended federal or Oregon Income Tax return is filed. Include a copy of your original or amended federal or Oregon income/excise tax return with your amended Form CES and explain the adjustments made.

On the prepayments line of your amended Form CES, enter the CES due as filed on the original return or as previously adjusted. Do not include any penalty or interest portions of payments already made.

FORM CES FILING INSTRUCTIONS

GENERAL RETURN INFORMATION

Tax Year. Enter the beginning and ending dates of your tax year. For calendar year filers, this would be 1/1/2020 to 12/31/2020.

Account #. Enter your CES account number (ten digits). This information can be found on letters the Revenue Division has mailed to you related to your CES account. If you can't find your account number, call the Revenue Division at (503) 823-5157.

FEIN. Enter the Federal Employer Identification Number (FEIN) of the entity filing with the IRS or, if a C corporation, the entity filing with the Oregon Department of Revenue.

Federal Extension Box. Check this box if you filed an extension to file your federal taxes. Attach a copy of your federal extension to your form.

Amended Return Box. Check this box if you are amending your 2020 form. See the Amended Return instructions above for more information about amending your Form CES.

Ceased Business Box. Check this box if you no longer conduct business in the City of Portland. Attach an *Out of Business Notification Form* or an explanation for ceasing your business activity. If you have sold your business, indicate the name and address of the entity you sold your business to.

Entity Filing in Oregon. Enter the legal name of the entity filing with the Oregon Department of Revenue. If you have merged or reorganized, enter the new filing entity's name and check the box that the entity has merged or reorganized.

NAICS. Enter the NAICS (North American Industry Classification System) code for your business.

Mailing Address. Always enter your current mailing address. If the address for the year you are filing has changed, check the box indicating the change.

Name of Parent Corporation, if Applicable. If you file under a different entity for the Oregon Department of Revenue than the IRS, please enter the name of the parent corporation here.

FEIN of Parent Corporation. If you file under a different entity for the Oregon Department of Revenue, please enter the FEIN of the parent corporation here.

If Merged/Reorganized, Enter Name of Previous Business. If you have checked the Merged/Reorganized box in the Entity Filing in Oregon field, enter the name of the previous business here.

FEIN of Previous Business. If you have checked the Merged/Reorganized box in the Entity Filing in Oregon field, enter the FEIN of the previous business here.

FILING REQUIREMENT

All businesses with gross income of \$1 billion in Total Gross Income and \$500,000 in Portland Gross Income (as reported on Lines 18a/18b of their Combined Tax Return) must file a Form CES.

Line 1. Gross Income. Enter the amount reported on Line 18b in the Everywhere column. Enter the amount reported on Line 18a in the City of Portland column.

If you apportion your net income using figures other than gross income (For example, business that apportion their banking income under the rules in Business Tax Administration Rule 610.93-5A), you must instead enter your gross income earned on these lines.

LARGE RETAILER DETERMINATION

Only Large Retailers are subject to paying the Clean Energy Surcharge. A Large Retailer is a business that has Retail Sales of \$1 billion or more everywhere and Retail Sales of \$500,000 or more in the City of Portland.

Line 2. Less: Non-Retail Sales. Generally, non-Retail Sales are sales that are sold for resale. Enter the amount of Non-Retail Sales included in Gross Income in the Everywhere column and City of Portland columns as a negative number.

Line 3. Total Retail Sales. Sum of Lines 1 and 2.

If the Everywhere field is less than \$1,000,000,000 (1 billion) or the City of Portland field is less than \$500,000, you are not subject to paying the CES. Submit the Form CES with only these three lines completed.

RETAIL GROSS REVENUE CALCULATION

Line 4. Less: Retail Sales of Qualified Groceries. Enter the amount of Retail Sales of Qualified Groceries included in Portland Retail Sales as a negative number here.

Line 5. Less: Retail Sales of Qualified Medicine or Drugs. Enter the amount of Retail Sales of Qualified Medicine or Drugs included in Portland Retail Sales as a negative number here.

Line 6. Less: Retail Sales of Qualified Health Care Services. Enter the amount of Retail Sales of Qualified Health Care Services included in Portland Retail Sales as a negative number here.

Line 7. Less: Retail Sales of Qualified Residential Garbage and Recycling Services. Enter the amount of Retail Sales of Qualified Residential Garbage and Recycling Services included in Portland Retail Sales as a negative number here.

Line 8. Less: Retail Sales from the administration of Qualified Retirement Plans. Enter the amount of Retail Sales from the administration of Qualified Retirement Plans included in Portland Retail Sales as a negative number here.

Line 9. Less: Portland Business License Tax Paid. Enter the amount of City of Portland Business License tax paid on Portland Retail Sales as a negative number here.

To determine the amount of Portland Business License Tax eligible to be deducted from Portland Retail Sales on Line 9, use the following the calculation:

- a) Total Portland Retail Sales (from Line 3): \$ _____
- b) Less: Retail Sales of Qualified Groceries (from Line 4): \$ _____
- c) Less: Retail Sales of Qualified Medicine or Drugs (from Line 5): \$ _____
- d) Less: Retail Sales of Qualified Health Care Services (from Line 6): \$ _____
- e) Less: Retail Sales of Qualified Residential Garbage and Recycling Services (from Line 7): \$ _____
- f) Less: Retail Sales of from the administration of Qualified Retirement Plans (from Line 8): \$ _____
- g) Total Portland Retail Sales subject to CES before the Business License Tax Deduction (sum of Lines a-f): \$ _____
- h) Portland Retail Sales Ratio (Line g divided by Line a): _____%
- i) Total Portland Business License Tax Paid (from Line 22 of your Combined Tax Return): \$ _____
- j) Large Retailer Business License Tax Paid Deduction (Line h times Line i): \$ _____

Enter the amount from Line j as a negative number on Line 9.

Line 10. Retail Gross Revenue Subject to Surcharge. Sum of Lines 3 through 9.

Line 11. Clean Energy Surcharge. Line 10 times 1%.

Line 12. Prepayments. Enter the total amount of prepayments as a negative number here. This includes all quarterly payments, any extension payment made, and any credit carryforward from prior years.

Line 13. Penalty. Enter any late filing, late payment, and/or underpayment penalties that apply here (see instructions below).

Line 14. Interest. Enter any quarterly underpayment interest due and/or interest due on the Clean Energy Surcharge not paid by the original due date (see instructions below).

Line 15. Clean Energy Surcharge Due or (Overpaid). Add line 12, line 13, and line 14 to determine if a balance due or an overpayment exists for your Clean Energy Surcharge. If a balance is due, make your check payable to 'City of Portland.'

Line 16a. Refund. Enter the amount of any overpayment reported on line 15 you would like refunded to you.

Line 16b. Credit Carryforward. Enter the amount of any overpayment reported on line 15 you would like to be applied as an estimated tax payment to tax year 2021. This election is irrevocable.

MOTOR VEHICLE FUEL SALES

If you have paid Clean Energy Surcharge on the Retail Sales of any motor vehicle fuel sales, enter the amount of motor vehicle fuels sales included in Portland Retail Sales on the line provided.

PENALTY CALCULATION

You may be subject to penalties for underpaying your estimated CES, filing a late tax return, and/or paying your CES liability after the original due date of the return.

Although the Revenue Division assesses a late penalty for both failing to file a Form CES by the due date and failing to pay the CES by the original due date of the return, only one of these late penalties will be applied, even if there is a failure of both requirements. In these cases, only the late filing penalty is applied.

UNDERPAYMENT PENALTY

You may be subject to a penalty for underpaying your estimated CES if, by the original due date of the return, timely prepayments are not made which are either:

- At least 90% of the total CES due, or
- 100% of the prior year's CES liability.

If you did not satisfy either requirement, you will be charged a 5 percent underpayment penalty on the unpaid amount.

LATE FILING PENALTY

You must pay a 5 percent penalty of the total tax liability if you do not file your Form CES by the original due date, file an extension with the Revenue Division by the original due date of the return, or include a copy of your federal extension with your Form CES when you file by the extended due date.

An additional penalty of 20% of the tax must be added if the Form CES is four months or more past due. Any Form CES which is delinquent for three or more consecutive years accrues an additional penalty of 100% of the CES.

No late filing penalty is due if a timely extension is filed with the Revenue Division and a Form CES is filed by the extended due date, or a copy of the federal extension is included with the Form CES and the 'Federal Extension' box is checked.

LATE PAYMENT PENALTY

Your 2020 CES must be paid by April 15, 2021, even if you requested an extension of time to file your Form CES. You must pay a 5 percent penalty of the tax that wasn't paid by the original due date of the return.

An additional penalty of 20% of the unpaid tax must be added if the payment is four months or more past due.

INTEREST CALCULATION

Interest is calculated at 10% per annum (.00833 multiplied by the number of months). Calculate your interest from the original due date to the 15th day of the month following the date of the payment.

Quarterly underpayment interest will be due if quarterly estimated payments were required and were underpaid.