

Over-Simplified Examples of Moving from Cost-of-Performance to Market-Based Apportionment

Example 1

	Oregon	State A	State B	
Share of Costs:	40%	35%	25%	100%
Share of Market:	30%	40%	30%	100%
Oregon's share of taxable income falls from 100% under COP to 30%, resulting in a revenue loss				

Example 2

	Oregon	State A	State B	
Share of Costs:	35%	40%	25%	100%
Share of Market:	50%	35%	15%	100%
Oregon's share of taxable income increases from 0% under COP to 50%, resulting in a revenue gain				