CHAPTER .................................................

AN ACT

Relating to due date for filing declaration of estimated tax; creating new provisions; amending ORS 316.577 and 316.579; and prescribing an effective date.

Be It Enacted by the People of the State of Oregon:

SECTION 1. ORS 316.577 is amended to read:
ORS 316.577. Except as provided in ORS 316.573, declarations of estimated tax required by ORS 316.563 (1) from individuals who are neither farmers nor fishermen for the purpose of that section shall be filed on or before April [15] 18 of the taxable year or the due date of the return for the prior taxable year without regard to extensions, whichever is earlier, except that if the requirements of ORS 316.563 (1) are first met:
(1) After April 1 and before June 2 of the taxable year, the declaration shall be filed on or before June 15 of the taxable year;
(2) After June 1 and before September 2 of the taxable year, the declaration shall be filed on or before September 15 of the taxable year; or
(3) After September 1 of the taxable year, the declaration shall be filed on or before January 15 of the succeeding year.

SECTION 2. ORS 316.579 is amended to read:
ORS 316.579. (1) An individual required to make a declaration of estimated tax under ORS 316.563 shall pay the estimated tax as provided in subsections (2) to (6) of this section.
(2) If the declaration is filed on or before April [15] 18 of the taxable year, the estimated tax shall be paid in four equal installments. The first installment shall be paid at the time of the filing of the declaration, the second and third on June 15 and September 15 of the taxable year, and the fourth on January 15 of the succeeding year.
(3) If the declaration is filed after [April 15] the due date of the prior taxable year return without regard to extensions and not after June 15 of the taxable year, and is not required by ORS 316.577 to be filed on or before April [15] 18 of the taxable year, the estimated tax shall be paid in three equal installments. The first installment shall be paid at the time of the filing of the declaration, the second on September 15 of the calendar year, and the third on January 15 of the succeeding taxable year.
(4) If the declaration is filed after June 15 and not after September 15 of the taxable year, and is not required by ORS 316.577 to be filed on or before June 15 of the taxable year, the estimated tax shall be paid in two equal installments. The first installment shall be paid at the time of filing of the declaration, and the second on January 15 of the succeeding taxable year.
(5) If the declaration is filed after September 15 of the taxable year and is not required by ORS 316.577 to be filed on or before September 15 of the taxable year, the estimated tax shall be paid in full at the time of filing of the declaration.

(6) If the declaration is filed after the time prescribed in ORS 316.577, subsections (3) to (5) of this section shall not apply. Instead, there shall be paid at the time of filing all installments of estimated tax that would have been payable on or before such time if the declaration had been filed within the time prescribed in ORS 316.577, and the remaining installments shall be paid at the times at which, and in the amounts in which, they would have been payable if the declaration had been so filed.

(7) If a taxpayer does not file a declaration but files a return on or before January 31 of the succeeding year and pays in full the amount stated as due on the return:

(a) If the declaration is not required to be filed during the taxable year, but is required to be filed on or before January 15, the return shall be considered as the declaration; and

(b) If the tax shown on the return, as reduced by the sum of the credits against the tax allowed for purposes of this chapter, is greater than the estimated tax shown in an earlier declaration, or in the last amendment thereof, the return shall be considered as the amendment of the declaration permitted by ORS 316.563 (4) to be filed on or before January 15.

(8) In the application of this section to a taxable year beginning on any date other than January 1, there shall be substituted for the 15th or last day of the month specified in this section, the 15th or last day of the corresponding month.

(9) An individual may pay an installment of the estimated tax before the date prescribed for its payment.

(10) Any payment of estimated tax received by the Department of Revenue shall first be applied to underpayments of estimated tax due for any prior installment due for the taxable year. Any excess amount shall be applied to the installment that next becomes due after the payment was received.

SECTION 3. The amendments to ORS 316.577 and 316.579 by sections 1 and 2 of this 2021 Act apply to declarations of estimated tax due in tax years beginning on or after January 1, 2022.

SECTION 4. This 2021 Act takes effect on the 91st day after the date on which the 2021 regular session of the Eighty-first Legislative Assembly adjourns sine die.