

Background

Emancipation Day is a legal holiday in the District of Columbia occurring on April 16 each year. When April 16 falls on a Saturday, the holiday is recognized on Friday, April 15. When April 16 falls on Sunday, the holiday is recognized on Monday, April 17. The holiday affects the federal tax deadline (April 15) when the holiday falls on a Saturday, Sunday, or Monday.

Problem

Oregon law specifies that personal income tax returns must be filed by the corresponding federal return deadline, allowing for an adjustment if there is a conflict with Emancipation Day or its recognized date.

Oregon law currently does not provide a similar linkage to the federal law for making estimated tax payments that are due on April 15.

As a result, a person's income tax filing for the previous year may be due as late as April 18, but their estimated tax payments for the current year are still due on April 15. This affects taxpayers that apply their current year refund to their next year's estimated tax payment, making their payment late.

Proposed Solution

House Bill 2130 changes the requirement for making an estimated tax payment to April 18 or the due date of the prior tax year's return deadline, whichever is earlier. This change makes April 18 the latest date a person may make their estimated tax payment. It also requires a person to make the estimated payment earlier than April 18 if the federal tax return deadline from the previous year was earlier. By making this statutory change, if the previous year's tax filing deadline was modified because of Emancipation Day, the estimated payment date is synchronized with that date.

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