

OAR 150-315-0090

Employer	A	B	C	D
Cost	\$200,000	\$250,000	\$100,000	\$ 25,000
FTEs	20	50	30	6
Credit is lesser of:				
a. 50% of cost,	\$100,000	\$125,000	\$ 50,000	\$ 12,500
b. \$2,500 x No. of FTEs, or	\$ 50,000	\$125,000	\$ 75,000	\$ 15,000
c. \$100,000	<u>\$100,000</u>	<u>\$100,000</u>	<u>\$100,000</u>	\$100,000
Total available credit	\$ 50,000	\$100,000	\$ 50,000	\$ 12,500
Annual credit amount	<u>\$ 5,000</u>	<u>\$ 10,000</u>	<u>\$ 5,000</u>	<u>\$ 1,250</u>

Example:

Employer	A	B	C	D
Cost of facility	\$100,000	\$250,000	\$100,000	\$30,000
Total available credit	\$ 50,000	\$100,000	\$ 50,000	\$15,000
Annual credit amount	\$ 5,000	\$ 10,000	\$ 5,000	\$ 1,500
Life of facility	10	10	20	30
Depreciation allowable assuming straight-line	\$ 10,000	\$ 25,000	\$ 5,000	\$ 1,000
Oregon depreciation deduction:				
Depreciation allowable	\$ 10,000	\$ 25,000	\$ 5,000	\$ 1,000
Less annual credit	<u>(5,000)</u>	<u>(10,000)</u>	<u>(5,000)</u>	<u>(1,500)</u>
Depreciation deduction	<u>\$ 5,000</u>	<u>\$ 15,000</u>	<u>\$ 0</u>	<u>\$ 0*</u>
Adjusted basis:				
Cost	\$100,000	\$250,000	\$100,000	\$ 30,000
Less dep. allowable	<u>(10,000)</u>	<u>(25,000)</u>	<u>(5,000)</u>	<u>(1,000)</u>
Adjusted basis	<u>\$ 90,000</u>	<u>\$225,000</u>	<u>\$ 95,000</u>	<u>\$ 29,000</u>

* The \$500 excess of the credit over the depreciation allowable shall be carried over to reduce the depreciation deduction in subsequent tax years.