

# CAT CONTEXT AND ECONOMIC SECTORS

<b>Income Tax</b>			
	<b>Income \$B</b>	<b>Entities</b>	
C-corporations	\$8.0	30,000	
PTEs	\$6.0	120,000	
Sole proprietors	\$3.5	250,000	
	<u>\$17.5</u>	<u>400,000</u>	
<b>Commercial Activities Tax</b>			
	<b>Entities</b>		<b>Taxable Receipts</b>
Min tax payers	45,000	C-corporations	75%
Rate payers	<u>11,000</u>	PTEs / SPs	<u>25%</u>
	56,000		100%

<b>CAT Sector</b>	<b>Sector and NAICS Code(s)</b>
Other	Agriculture, Forestry, Fishing & Mining 11-21
Other	Utilities 22
Other	Construction 23
Other	Manufacturing 31-33
Wholesale	Wholesale Trade 42
Retail	Retail Trade 44-45
Other	Transportation & Warehousing 48-49
Service	Information 51
Service	Finance, Ins, Real Estate & Prof Services 52 -56
Service	Education, Health & Social Services 61-62
Service	Entertainment, Rec, Lodging & Food Services 71-72
Service	Personal Services, Public Admin & Other 81-99, 00

# Pass-Thru Entity (PTE) Examples, 0.5% CAT on Oregon Sales > \$1M, \$

		Sales				Business Income Tax				
		CAT	Oregon	Exports	Margin	Business Income	Regular PIT	PTE	CAT	Total
<b>Sole Proprietor</b>	Current Law (CL)		\$750,000	\$0	30%	\$225,000	\$18,092	NA	NA	\$18,092
	CL, .5% CAT	\$250				\$224,750	\$18,069	NA	\$250	\$18,319
	CL, .5% CAT, 25% credit	\$188				\$224,813	\$18,075	NA	\$188	\$18,262
<b>S-corporation</b> one shareholder	Current Law (CL)		\$6,000,000	\$9,000,000	5%	\$750,000	\$60,106	\$54,500	NA	\$54,500
	CL, .5% CAT	\$25,250	\$6,010,100	\$9,005,050	5%	\$740,658	\$59,181	\$53,790	\$25,250	\$79,040
	CL, .5% CAT, 25% credit	\$18,938	\$6,007,575	\$9,003,788	5%	\$742,993	\$59,413	\$53,967	\$18,938	\$72,905
<b>Partnership</b> two partners	Current Law (CL)		\$50,000,000	\$0	3%	\$1,500,000			NA	\$0
	<i>75% partner</i>					\$1,125,000	\$97,231	\$83,500	NA	\$83,500
	<i>25% partner</i>					\$375,000	\$31,280	\$26,500	NA	\$26,500
										\$110,000
	CL, .5% CAT	\$245,250	\$50,122,625	\$0	3%	\$1,381,054			\$245,250	\$245,250
	<i>75% partner</i>					\$1,035,790	\$88,399	\$76,363		\$76,363
	<i>25% partner</i>					\$345,263	\$28,336	\$24,359		\$24,359
										\$345,972
	CL, .5% CAT, 25% credit	\$183,938	\$50,091,969	\$0	3%	\$1,410,790			\$183,938	\$183,938
<i>75% partner</i>					\$1,058,093	\$90,607	\$78,147		\$78,147	
<i>25% partner</i>					\$352,698	\$29,072	\$24,894		\$24,894	
									\$286,979	

CAT includes a minimum tax of \$250