

Department of Revenue begins processing 2023 returns

The Oregon Department of Revenue began processing e-filed 2023 state income tax returns on January 29, 2024. Paper filed returns will be processed starting in mid-February.

E-filing is the fastest way for a taxpayer to claim their share of the \$5.6 billion kicker and get their refund. On average, taxpayers who e-file their returns and request their refund via direct deposit receive their refund two weeks sooner than those who file paper returns and request paper refund checks.

E-filed returns will be processed in the order they are received. However, as in years past, the department will begin issuing personal income tax refunds after February 15.

Be prepared before you file an Oregon income tax return

The department reminds taxpayers [a few steps can make it easier](#) to fill out a tax return.

- Gather and organize your tax records and wait until you have all tax records ready including:
 - Forms W-2 from your employer(s)
 - Forms 1099 from banks and other payers including unemployment compensation, dividends, distributions from a pension, annuity, retirement plan, or other non-employee compensation
 - Forms 1099-K, 1099-MISC, 1099-NEC, or other income statement if you worked in the gig economy
- Use a bank account to speed tax refunds with direct deposit. File electronically, choose direct deposit and you will get a refund faster.
- Choose a reputable tax return preparer. This is important because taxpayers are responsible for all the information on their return, no matter who prepares it for them. The Oregon Board of Tax Practitioners offers a [Licensee Lookup website](#). The IRS has a website with [information](#).

Free options for e-filing Oregon income tax returns

All Oregon resident taxpayers preparing their own returns in 2024 can file electronically at no cost using one of Oregon's [free file options](#).

Oregon Free Fillable Forms performs basic calculations and is ideal for taxpayers who don't need help preparing their returns and want the convenience of filing electronically. The IRS offers a [similar option](#) for filing federal taxes electronically.

New this year, the department is also offering [Direct File Oregon](#), which allows taxpayers to file their Form OR-40 through Revenue Online. Direct File Oregon is not currently linked with the IRS Direct File. Taxpayers will need to file a separate federal return with the IRS before filing an Oregon return with Direct File Oregon through Revenue Online.

Federal Earned Income Tax Credit and Oregon Earned Income Credit

Oregon and the Internal Revenue Service offer many tax credits for low- to moderate- income families. These credits are fully or partially refundable, so the portion of the credit, more than what is owed, can be refunded to a person. The Earned Income Tax Credit (EITC) is a federal credit for people making up to \$63,398 in 2023 and a person who qualifies may use the credit to reduce taxes owed and maybe increase their refund.

If a person qualifies for EITC, they can also claim the Oregon Earned Income Credit (EIC) which is up to 12 percent of the federal EITC. Individuals may qualify for the EITC, Oregon EIC, and other credits, even

if they are not required to file. To receive the refundable credits, however, they must file a federal and state tax return.

More information about the federal EITC, the Oregon EIC, the Oregon Kids Credit and other similar credits, go to the [Tax Benefits for Families](#) page.

Oregon Kids Credit

New for tax year 2023, [Oregon Kids Credit](#) is a refundable credit for low-income people with young dependent children. For those with a modified adjusted gross income of \$25,000 or less, the full credit is \$1,000, per child for up to five dependent children under the age of six at the end of the tax year. A partial credit is available for individuals and families with MAGI up to \$30,000.

Senior and Disabled Citizen Property Tax Deferral Program

Reminder – A disabled or senior homeowner may qualify for a program to borrow from the State of Oregon to pay county property taxes. If a taxpayer qualifies for the program, the Oregon Department of Revenue will pay county property taxes on November 15 of each year.

To participate, a taxpayer must file an application with the county assessor by April 15, or pay a fee and file late from April 16 to December 1. A lien will be placed on the qualified taxpayer property, and the Department of Revenue will become a security interest holder.

For additional information, and to apply for the program see the deferral application [booklet here](#).