

This publication is a guide, not a complete statement, of Oregon Revised Statutes (ORS) and Oregon Administrative Rules (OAR). For possible updates and more information, visit www.oregon.gov/dor/business.

Important reminders

A completed copy of federal Schedule SE must be included with Form OR-TM.

If you conduct business both inside and outside the district, use an apportionment formula that is calculated by completing Schedule OR-TSE-AP and **including** it with your transit self-employment tax return (ORS 314.280, 314.650 to 314.675 and supporting administrative rules).

E-file: You may file your return through the federal/state e-filing program. For more information about e-filing, go to our website at www.oregon.gov/dor.

Revenue Online. You may also file directly with us through Revenue Online. Revenue Online is a secure online portal that provides access to your tax account at any time. You can:

- File a return.
- Check the status of your refund.
- View and print letters from us.
- Make payments or schedule future payments.
- Securely communicate with us.
- Update your information.
- Check balances and view your account history.
- File an appeal.

Visit www.oregon.gov/dor to sign up for a Revenue Online account.

What is the TriMet self-employment tax?

The TriMet tax helps fund mass transportation in the TriMet District. This tax is applied to self-employment earnings of individuals doing business or providing services in the district. This includes portions of Multnomah, Clackamas, and Washington counties. We collect the tax for TriMet.

A list of ZIP codes included in the district boundary is on page 5. For more information, call TriMet at 503-962-6466, or visit www.trimet.org/taxinfo.

The tax rate is 0.008237 (.8237 of 1 percent).

Who must file and pay this tax?

Individuals

Anyone who has self-employment earnings from business or service activities carried on or delivered in the TriMet District must pay this tax.

People who **must** pay the self-employment tax include:

- Self-employed individuals, sole proprietors, independent contractors, members of a partnership, and persons who have net self-employment earnings greater than \$400 from doing business or providing services within the TriMet District.
- Real estate agents. Federal laws generally treat real estate agents as self-employed. This includes those who provide services to real estate brokers under contract. This means that commissions on sales are subject to the TriMet self-employment tax.

Partnerships

Partnerships aren't subject to the TriMet self-employment tax.

The individual self-employed members of the partnership are responsible for filing and paying the tax. However, a partnership may choose to file one return and pay the tax for all of its individual partners. See "Partnership election" instructions on page 3.

Exemptions

- **Ministers.** Compensation received by a minister or member of a religious order when performing religious services isn't subject to this tax. However, compensation received for performing religious services as an independent contractor has been and remains subject to this tax.
- **Insurance agents.** The exemption applies only to insurance related income. Non-insurance related self-employment activities are subject to this tax (ORS 731.840).
- **C and S corporations.** Distributions aren't subject to this tax. However, **all employers** who pay wages for services performed in the district must pay a transit payroll tax. This includes corporation officers who receive compensation for services performed. For more information about payroll transit tax, call 503-945-8091 or email payroll.help.dor@dor.oregon.gov.

How to file

Visit us online at www.oregon.gov/dor for current information about electronic filing or how to file using Revenue Online.

Complete Form OR-TM, *TriMet Self-Employment Tax Return* and include the following:

- Federal Schedule SE.
- Schedule OR-TSE-AP if you're apportioning.

Payments

To make payments online, visit us at www.oregon.gov/dor.

To pay using a check or money order, make it payable to **"Oregon Department of Revenue"** and write the following:

- Daytime telephone number.
- Tax year beginning and ending dates.
- "Form OR-TM."
- SSN or FEIN.

To pay by mail **separate from filing your return**, send your check or money order with Form OR-TM-V payment voucher. Mail to: Oregon Department of Revenue, PO Box 14950, Salem OR 97309-0950.

To pay by mail **when you file your return**, include your check or money order in the same envelope with your return. **Don't** include a Form OR-TM-V payment voucher. Mail your return with payment included to: TMSE, Oregon Department of Revenue, PO Box 14555, Salem OR 97309-0940.

Important filing information

- **Don't combine** your TriMet self-employment tax payment with any other tax payment made to the Oregon Department of Revenue.
- **Don't attach** your Form OR-TM to your Oregon income tax return.
- **E-file or mail** your return to the Oregon Department of Revenue.

File **one** return for all of your self-employment earnings.

To avoid penalty and interest, file your return and pay your tax by the due date. Payments received after the original due date will be applied first to penalty, then to interest accrued, and then to tax due [ORS 305.265(13)].

Extension payments. If you were granted an extension, include your extension payment with Form OR-TM-V and mark the extension payment box. Don't file Form OR-TM with your extension payment. Extension payments are mailed with Form OR-TM-V to: Oregon Department of Revenue, PO Box 14950, Salem OR 97309-0950.

Individual fiscal year filers. If you're an individual fiscal year filer and your tax year begins in 2025 you should file on a 2025 tax return.

Frequently asked questions

I have more than one business. How should I file my return?

File one return. If you have separate business activities within the district, include a schedule that shows net earnings or losses for each business. Compute the self-employment earnings from the total net income of all your Schedule C activities within the same transit district. See instructions for line 1 on page 4.

Can I file a joint return?

No. Each taxpayer having self-employment earnings must file a separate Form OR-TM. That's true even if you and your spouse file a joint federal income tax return. The only exception is a partnership filing for all partners. Both spouses can be members of the same partnership.

I'm getting a refund on my Oregon individual income tax return. Can I have that refund applied to this tax?

No. We can't apply any income tax refund to pay your TriMet self-employment tax.

Can I file my return electronically?

Yes. Visit us online at www.oregon.gov/dor for current information about electronic filing.

Can I file an amended return?

Yes. File an amended return any time you need to correct your return as originally filed. Generally, you're allowed three years from the due date of the return or the date the return was filed, whichever is later, to file an amended return to claim a refund. Check the **"amended return"** box on your return.

What if business is done both inside and outside of the district?

Use an apportionment formula by completing Schedule OR-TSE-AP. Self-employment earnings are apportioned using a 100 percent sales factor unless you're a qualifying taxpayer in utilities or telecommunications. A taxpayer primarily engaged in utilities or telecommunications may elect to use the double-weighted sales factor formula.

What if I'm audited by the IRS?

If changes are made that affect your self-employment earnings, file an amended return to report and pay any additional tax due. If the change reduces your tax, you have two years from the date of the audit report to claim a refund.

See more FAQ at www.oregon.gov/dor.

Due date—when to file

Your return is generally due the same day as your federal and Oregon individual income tax returns. For most taxpayers, the 2025 due date is April 15, 2026. For individuals filing a fiscal year return, the return is due on the 15th day of the fourth month after the end of the fiscal year. When the due date falls on a Saturday, Sunday, or legal holiday, the due date will be the next business day.

Extensions to file

If you received a federal extension or an extension to file your federal or Oregon individual income tax return, it will also extend your TriMet Self-Employment Tax Return.

Check the “An extension has been filed” box on your Form OR-TM. **Don't** include a copy of your federal extension with your Oregon return. Keep it with your records.

An extension doesn't mean more time to pay.

If you have an extension, you must make your payment by the original due date of the return to avoid a penalty and interest charge. Complete Form OR-TM-V payment voucher and send it with your payment of tax. Form OR-TM-V is available at www.oregon.gov/dor. Use the same name and Social Security number (SSN) or federal employer identification number (FEIN) that you'll use on your return when you file.

Extension payments are mailed with Form OR-TM-V to: Oregon Department of Revenue, PO Box 14950, Salem OR 97309-0950.

If you can't pay all the tax you expect to owe, pay what you can, then call us as soon as possible to set up a payment plan to reduce penalties and interest.

Penalties

You'll owe a 5 percent late-payment penalty on any tax not paid by the due date of the return, even if you've filed an extension.

Oregon doesn't allow an extension of time to pay even if the IRS allows an extension.

If you file your return more than three months after the due date (including extensions), a 20 percent late-filing penalty will be added; you'll owe a total penalty of 25 percent of any tax not paid. A 100 percent penalty is charged if you don't file a return **for three consecutive years** by the due date of the third year, including extensions.

Partnership election

A partnership may elect to file and pay the transit self-employment tax for the individual partners. The partnership **must** use net earnings from self-employment as reported on federal Form 1065 to figure the tax. **Don't make Oregon modifications**

to the partnership's earnings. If some partners have different tax years than others, net earnings from self-employment is determined using amounts from different tax years.

The partnership's return and payment shall be based upon the net earnings from self-employment of the individual partners from the partnership for their taxable years ending with **or** within the **calendar year**.

You must include a schedule with Form OR-TM. Include each partner's name, SSN, share of partnership income, and individual exclusion. Your return can't be processed without this information.

Due date for calendar year filers: April 15, 2026. The partnership **must** file a return and pay the tax due on or before April 15, 2026.

Fiscal year filers. If you're a partnership fiscal year filer and your tax year *ends* in 2025, file on a 2025 tax return.

Example: If a partnership has a tax year ending August 31, 2025, the partnership must pay on or before April 15, 2026, the tax due from the partners' net earnings from the partnership for its taxable year ending August 31, 2025.

Partners: If your partnership is filing on behalf of all partners, you don't need to file a separate Form OR-TM **unless** you have net self-employment earnings from sources other than the partnership. Report only these additional net self-employment earnings on your *individual* Form OR-TM.

Note: You may only take one \$400 exclusion for all self-employment income.

Amended returns

If you need to amend your tax return, use the Form OR-TM for the specific tax year. You must file an amended return to claim a refund of tax paid. To file an amended return, use the appropriate form for the year of the original return and check the “**amended return**” box. Include an explanation of the changes made with the return. Oregon doesn't have a separate amended transit tax return.

Form OR-TM instructions

Check the box if any apply:

- **Amended return checkbox.** Check the box if this is an amended return.
- **An extension has been filed checkbox.** If you received a federal extension to file, or are filing an extension for Oregon only, check the box on the return.
- **Utility or telecommunications companies checkbox.** Taxpayers primarily engaged in utilities or telecommunications may elect to apportion income using the double-weighted sales factor formula (ORS 314.280 and OAR 150-314-0060). Check the box if you're making this election.

Name and address section

Individuals: Fill in your name, SSN, telephone number, and business address.

Important! Don't include a FEIN (federal employer identification number) if you're filing as an individual.

The request for your SSN is authorized by Section 405, Title 42, United States Code. You **must** give us this information. It will be used to establish your identity for tax purposes only.

Partnerships: Fill in the partnership name, FEIN, telephone number, and business address.

Line instructions—Form OR-TM

Instructions are for lines not fully explained on the return.

Rounding to whole dollars. Enter amounts on the return and accompanying schedules as whole dollars only. Example: \$4,681.55 becomes \$4,682; and \$8,775.22 becomes \$8,775.

Line 1. Self-employment earnings.

- **Individuals:** Fill in the amount from federal Schedule SE, Section A, line 3; or Section B, line 3 unless you meet one of the exemptions.

More than one business included on federal Schedule SE? Only include earnings from line 3 of your federal Schedule SE that are from businesses that are doing business or providing services in the TriMet District. You may use a business with a net loss to offset a business with net earnings if they're both within the TriMet District.

Example: Business A has net earnings of \$20,000 and Business B has a net loss of \$10,000. Both businesses are in the TriMet District. The amount on line 3 of your federal Schedule SE is \$10,000. Fill in line 1 on Form OR-TM the amount of \$10,000. **File one return.** Include a schedule with the return and list each separate business and their net earnings or losses. Losses can't be carried forward to another year.

Did you receive Partnership income? Did the partnership file Form OR-TM and pay the tax for the partners? If so, reduce the amount from your federal Schedule SE, Section A, line 3; or Section B, line 3 by the amount of your income from that partnership.

Important. Don't make Oregon changes or modifications to federal income on Form OR-TM. Your earnings that are subject to TriMet self-employment tax will generally be the same as the earnings you report on your federal Schedule SE, Section A, line 3; or Section B, line 3.

- **Partnerships:** Fill in the net earnings from federal Partnership Form 1065. Don't include Oregon modifications.

Note: Partnership net earnings may be netted with Schedule C gains or losses for TriMet tax purposes.

Line 2. Apportionment:

- Fill out and include a completed Schedule OR-TSE-AP with Form OR-TM if your business activity is carried on both in and out of the district.
- If all of your business activity is within the transit district don't fill out the Schedule OR-TSE-AP.
- Percentage can't be less than 0 percent or more than 100 percent.
- Round the percentage to four decimal places. For example, 12.34558 percent should be 12.3456 percent.

Note: If you have multiple businesses within the district that must apportion income or losses: determine each business's apportionment percentage separately; apply each percentage to the earnings of the respective business; add the amounts; and enter on line 3. Include a schedule showing your calculations.

For example:	Business 1	Business 2
Sales in District	\$20,000	\$5,000
Gross Sales	100,000	5,000
Apportionment	20.0000%	100.0000%
Total Earnings (Loss)	25,000	(1,000)
Earnings in District	5,000	<u>(1,000)</u>
Net earnings to enter on line 3		<u>\$4,000</u>

Line 4. Exclusion. Each taxpayer's exclusion is the lesser of the taxpayer's self-employment earnings (line 3), or \$400.

Individuals: Enter \$400 or the amount on line 3, *whichever is less*. Was the exclusion partially or completely used on another 2025 Form OR-TM filed by your partnership? If so, fill in only the unused amount of the \$400 exclusion.

Partnerships. Enter \$400 for only those partners whose share of positive earnings are included in the amount on line 3. If any partner's exclusion was partially or completely used on another 2025 Form OR-TM, include on line 4 only that partner's unused amount of the \$400 exclusion. **Each partner is responsible for ensuring that the total of all exclusions doesn't exceed \$400.**

Don't include any partner with a loss.

Line 7. Prepayments. Fill in the amount of any advance payments you made for this tax year.

Line 8. Tax to pay. Calculate your tax to pay. An expected refund from your state income tax can't be used to pay your transit tax.

You may pay online at www.oregon.gov/dor.

To pay using a check or money order, make it payable to "**Oregon Department of Revenue**" and write the following:

- Daytime telephone number.
- Tax year beginning and ending dates.
- "Form OR-TM."
- SSN or FEIN.

To pay by mail **separate from filing your return**, send your check or money order with Form OR-TM-V payment voucher. Mail to: Oregon Department of Revenue, PO Box 14950, Salem OR 97309-0950.

To pay by mail **when you file your return**, include your check or money order in the same envelope with your return. **Don't** include a Form OR-TM-V payment voucher. Mail your return with payment included to: TMSE, Oregon Department of Revenue, PO Box 14555, Salem OR 97309-0940.

Line 9. Penalty and interest. For filing or paying late.

Due date. Form OR-TM is generally due the same day as your federal and Oregon income tax returns. For a calendar year return, this is April 15, 2026.

Interest. If you're paying your tax after the due date, include interest on any unpaid tax.

If you don't pay the tax by the due date, interest will be charged on the unpaid tax. Interest periods generally begin the day after the return is due. Interest is figured daily. Interest rates may change once a calendar year.

To calculate interest due:

- Tax × Daily interest rate × Number of days.

Interest rates and effective dates:

For interest periods

beginning	Annual	Daily
January 1, 2026	8%	0.0219%
January 1, 2025	9%	0.0247%
January 1, 2024	8%	0.0219%

Interest accrues on any unpaid tax during an extension of time to file.

Additional interest on deficiencies and delinquencies. Interest will increase by one-third of 1 percent per month on unpaid tax. If the tax isn't paid within 60 days of our bill, the interest rate increases by 4 percent per year.

Penalty. Include a penalty payment if you:

- Mail your payment of tax due **after** the due date (even if you have an extension), or
- File your return showing tax due after the due date, including any extension. See page 3.

Payments received after the original due date will be applied first to penalty, then to interest accrued, and then to tax due [ORS 305.265(13)].

Sign your return. Please sign and date your return before mailing.

TriMet ZIP codes

TriMet serves the Portland Metropolitan area, which includes parts of Multnomah, Washington, and Clackamas counties.

For information on TriMet boundaries, call 503-962-6466 or visit www.trimet.org/taxinfo.

ZIP codes completely in TriMet Transit District

97003	97035	97204	97214	97222	97236
97005	97036	97205	97215	97223	97239
97006	97062	97206	97216	97225	97253
97008	97068	97209	97217	97227	97256
97024	97077	97210	97218	97229	97258
97027	97201	97211	97219	97230	97266
97030	97202	97212	97220	97232	97267
97034	97203	97213	97221	97233	

ZIP codes partially in TriMet Transit District

97007	97022	97070	97089	97124	
97009	97023	97078	97113	97140	
97015	97045	97080	97116	97224	
97019	97060	97086	97123	97231	

PO Box ZIP codes completely in TriMet District

97075	97228	97268	97282	97291	97296
97076	97238	97269	97283	97292	97298
97207	97240	97280	97286	97293	
97208	97242	97281	97290	97294	

Taxpayer assistance

Do you have questions or need help?

Transit self-employment tax help

Email: TSE.help.DOR@oregon.gov

This email address isn't secure and confidentiality can't be ensured. General tax and policy questions only.

Forms

www.oregon.gov/dor/forms

General information

www.oregon.gov/dor
503-378-4988 or 800-356-4222
questions.dor@dor.oregon.gov

Contact us for ADA accommodations or assistance in other languages.

TriMet Transit District boundary information

Telephone..... 503-962-6466
Internet..... www.trimet.org/taxinfo