

Chapter 317

Corporation Excise Tax

Chapter 317

NOTES OF DECISIONS

Income derived from a contract with the Federal Government by an independent contractor is subject to this tax; the statute does not impair the obligation of contract nor impose an unwarranted tax upon the functions of the Federal Government. *General Constr. Co. v. Fisher*, (1934) 149 Or 84, 39 P2d 358, 97 ALR 1252; *Winston Bros. Co. v. Galloway*, (1942) 168 Or 109, 121 P2d 457.

An excise tax may be imposed on a corporation as a substitute for personal property tax payable by individuals without violating constitutional provisions, but the tax imposed by this chapter was not intended as a substitute for a tax on gross income from intangibles received by individuals; the tax was intended as a charge for the benefits conferred by the corporate franchise. *Redfield v. Fisher*, (1931) 135 Or 180, 292 P 813, 295 P 461, 73 ALR 721.

Whether a corporation is classified as a "financial corporation" under ORS 317.060, or as a "business corporation" under ORS 317.070, the test of taxability is the same, namely, whether the corporation was "doing business" within the meaning of the statute. *Welch Holding Co. v. Galloway*, (1939) 161 Or 515, 89 P2d 559.

The taxing system inaugurated in 1929 differed greatly from that theretofore in effect; its purpose was to obtain additional revenue from new sources and to relieve real property from some of the burden of taxation. *Title & Trust Co. v. Wharton*, (1941) 166 Or 612, 114 P2d 140.

The corporation excise tax is exacted for the privilege of earning a net income in this state. *Hines Lbr. Co. v. Galloway*, (1944) 175 Or 524, 154 P2d 539.

FURTHER CITATIONS: *Castle Sawmills, Inc. v. State Tax Comm.*, (1964) 1 OTR 571.

ATTY. GEN. OPINIONS: Authority of mass transit district to tax, (1968) Vol 34, p 1066; taxability of interest on bonds to be issued by Port of Morrow for irrigation system connected with proposed private nuclear power plant, (1971) Vol 35, p 635.

317.010

NOTES OF DECISIONS

1. Subsection (3)
2. Subsection (8)
3. Subsection (9)
4. Subsection (10)
5. Subsection (12)
6. Subsection (17)

1. Subsection (3)

This definition includes all corporations, municipal, quasi-municipal and private, thereby including people's utility district. *Central Lincoln P.U.D. v. State Tax Comm.*, (1960) 221 Or 398, 351 P2d 694.

2. Subsection (8)

"Doing business" means engaging in activities in pursuit of gain. *John I. Haas, Inc. v. State Tax Comm.*, (1961) 227 Or 170, 361 P2d 820; *Cal-Roof Wholesale, Inc. v. State Tax Comm.*, (1964) 2 OTR 91.

The term "doing business" is used in its ordinary sense, and means the engaging in activities in the pursuit of gain. *Welch Holding Co. v. Galloway*, (1939) 161 Or 515, 89 P2d 559.

"Doing business" as defined relates to the question of what parts of a business are within and without the state by providing that this question shall be determined by the situs of the transaction of the corporation. *Id.*

An incidental or casual transaction not in the course of business of a corporation is not the "doing of business". *Id.*

Liquidation of a capital asset cannot be held to be "doing business" in the absence of a course of purchases and sales. *Id.*

The holding of securities of other corporations and the distribution of dividends paid thereon do not constitute "doing business". *Id.*

Where the sole purpose of formation of a corporation was to make and preserve a record of the beneficial ownership of stock in operating companies in order to avoid the assertion of federal income taxes because of the receipt of dividends from stock held as trustee, the corporation was not "doing business". *Id.*

A sale by a holding company of the stock of an operating company and a so-called loan of the money to another operating company without interest did not constitute the "doing of business". *Id.*

The fact that title to a parcel of land was held and conveyed in the name of the corporation and taxes thereon were paid from corporate funds did not constitute "doing business" where the transaction was for the individual benefit of the president of the corporation. *Id.*

The situs of a foreign corporation's work was within the state where it was performed under a federal contract on a jetty at the mouth of a navigable river beyond low-water mark but within two nautical miles from the coast line. *Winston Bros. Co. v. Galloway*, (1942) 168 Or 109, 121 P2d 457.

3. Subsection (9)

The excise tax is not an income tax but a privilege tax on the privilege of doing business resting on determination of the income which the taxpayer earned solely in this state. *John I. Haas, Inc. v. State Tax Comm.*, (1961) 227 Or 170, 361 P2d 820.

4. Subsection (10)

Prior to the 1963 amendment, the definition of a financial institution did not include a corporation that bought instalment contracts. *General Elec. Cred. Corp. v. State Tax Comm.*, (1962) 231 Or 570, 373 P2d 974.

Taxpayer's principal business was not in direct conflict with national and state banks. *Northwestern Acceptance Corp. v. State Tax Comm.*, (1968) 3 OTR 354.

5. Subsection (12)

The definition of "paid" in this section applies only to deductions. *Northwestern Ice & Cold Storage Co. v. Galloway*, (1935) 151 Or 260, 49 P2d 359.

6. Subsection (17)

This subsection recognizes a return for a fractional part of a year. *Pacific Power & Light Co. v. State Tax Comm.*, (1966) 2 OTR 420, aff'd, 249 Or 103, 437 P2d 473.

FURTHER CITATIONS: *Broadway-Madison Corp. v. Fisher*, (1940) 164 Or 401, 102 P2d 194; *A. C. Dutton Lbr. Corp. v. State Tax Comm.*, (1961) 228 Or 525, 365 P2d 867; *Standard Ins. Co. v. State Tax Comm.*, (1962) 230 Or 461, 370 P2d 608; *Oregon Mut. Sav. Bank v. State Tax Comm.*, (1965) 2 OTR 124.

317.055

NOTES OF DECISIONS

The imposition of a license tax by a city upon national banks for the privilege of operating safe deposit vaults is prohibited by ORS 317.065. *Bank of California v. Portland*, (1937) 157 Or 203, 69 P2d 273, 115 ALR 676.

FURTHER CITATIONS: *City of Beaverton v. Harris*, (1970) 3 Or App 541, 474 P2d 771.

317.060

NOTES OF DECISIONS

See also cases under ORS 317.070.

Prior to the 1963 amendment, a credit corporation, whose principal business was buying instalment contracts, was not a financial institution as defined by ORS 317.010 (10). *General Elec. Cred. Corp. v. State Tax Comm.*, (1962) 231 Or 570, 373 P2d 974.

A corporation organized to hold, manage and liquidate assets of a state savings and loan association, including real estate and business assets, was "doing business" as a financial institution within the meaning of this section. *Alpha Corp. v. Multnomah County*, (1948) 182 Or 671, 189 P2d 988.

FURTHER CITATIONS: *Northwestern Acceptance Corp. v. State Tax Comm.*, (1968) 3 OTR 354; *Equitable Sav. & Loan Assn. v. State Tax Comm.*, (1968) 251 Or 70, 444 P2d 916; *City of Beaverton v. Harris*, (1970) 3 Or App 541, 474 P2d 771.

ATTY. GEN. OPINIONS: Credit unions and savings and loan associations as not subject to excise taxes, 1934-36, p 63; annual fees and taxes for credit unions, 1958-60, p 193; personal property tax on federal credit unions, 1962-64, p 453.

317.065

NOTES OF DECISIONS

The imposition of a license tax by a city upon national banks for the privilege of operating safe deposit vaults is prohibited by this section. *Bank of California v. Portland*, (1937) 157 Or 203, 69 P2d 273, 115 ALR 676.

FURTHER CITATIONS: *Alpha Corp. v. Multnomah County*, (1948) 182 Or 671, 189 P2d 988; *Horner's Market v. Tri-County Metropolitan Transp. Dist.*, (1970) 2 Or App 288, 467 P2d 671, Sup Ct review denied (with opinion), 256 Or 124, 471 P2d 798; *City of Beaverton v. Harris*, (1970) 3 Or App 541, 474 P2d 771.

ATTY. GEN. OPINIONS: Personal property tax on federal credit unions, 1962-64, p 453.

317.070

NOTES OF DECISIONS

Income derived from a contract with the Federal Government by an independent contractor is subject to tax; this statute does not impair the obligations of contract nor does it impose an unwarranted tax upon the functions of the Federal Government. *General Const. Co. v. Fisher*, (1934) 149 Or 84, 39 P2d 358, 97 ALR 1252; *Winston Bros. Co. v. Galloway*, (1942) 168 Or 109, 121 P2d 457.

The essential elements which must be found in order to subject a corporation to taxation for certain years are, first, that the corporation was "doing business" in those years, and second, that it had income during those years. *Welch Holding Co. v. Galloway*, (1939) 161 Or 515, 89 P2d 559.

A corporation which is a mere conduit or trustee through which income passes has no "taxable income." Id.

A foreign corporation's net profits under a federal contract to construct a jetty in aid of commerce and navigation may be taxed by the state. *Winston Bros. Co. v. Galloway*, (1942) 168 Or 109, 121 P2d 457.

Every corporation which earns a net income in Oregon is subject to the assessment of the corporation excise tax, even though the business which it did elsewhere caused it to sustain an over-all net loss. *Hines Lbr. Co. v. Galloway*, (1944) 175 Or 524, 154 P2d 539.

The corporation excise tax is exacted for the privilege of earning a net income in this state. Id.

Under a former similar statute (ORS 317.085), what was "tangible personal property" was controlled by the statutory definitions, rather than agreement between the parties. *Warm Springs Lbr. Co. v. State Tax Comm.*, (1959) 217 Or 219, 342 P2d 143.

A unitary business operation supplies a sufficient nexus between the taxpayer and the taxing state to prevent the invalidity of this tax on due process grounds. *John I. Haas, Inc. v. State Tax Comm.*, (1961) 227 Or 170, 361 P2d 820.

The Oregon personal property tax is a proper deduction along with other expenses in arriving at net income subject to allocation. *Edward Hines Lbr. Co. v. State Tax Comm.*, (1964) 238 Or 274, 393 P2d 187, aff'g 1 OTR 442.

Prior to 1965 amendment, eligibility to the offset allowed by subsection (2) was determined by the corporation's activity in Oregon and not elsewhere. *Guy F. Atkinson Co. v. State Tax Comm.*, (1965) 239 Or 588, 399 P2d 166, aff'g 1 OTR 558.

"Principally engaged" can properly be construed to mean "substantially engaged." *Industrial Refrigeration and Equip. Co. v. State Tax Comm.*, (1965) 2 OTR 122, modified, 242 Or 217, 408 P2d 937.

"Primarily" means "chiefly" or "principally" but not necessarily over 50 percent. *Industrial Refrigeration and Equip. Co. v. State Tax Comm.*, (1965) 242 Or 217, 408 P2d 937, modifying 2 OTR 122.

Earnings of plaintiff cooperative created by its worker-members are earnings of its worker-members and not of the corporation. *Linnton Plywood Assn. v. State Tax Comm.*, (1965) 241 Or 1, 403 P2d 708, rev'g 2 OTR 1.

Taxpayer is not entitled to offset a tax assessed against its predecessor and paid by taxpayer. *Bumble Bee Seafoods, Inc. v. State Tax Comm.*, (1966) 2 OTR 347, aff'd, 245 Or 442, 421 P2d 974; *American Portable Irr. Co. v. State Tax Comm.*, (1969) 3 OTR 360, aff'd, 255 Or 114, 464 P2d 687.

Prior to the 1965 amendment, if the taxpayer was a unitary business operation, the offset was based on the corporations activity in and out of Oregon. *Kaiser Cement & Gypsum Corp. v. State Tax Comm.*, (1967) 2 OTR 480, aff'd, 250 Or 374, 443 P2d 233.

The offset provision does not require the corporation that pays the tax to be the same legal entity against whom the tax was assessed. *American Portable Irr. Co. v. State Tax Comm.*, (1969) 3 OTR 360; *aff'd*, 255 Or 114, 464 P2d 687.

FURTHER CITATIONS: *Redfield v. Fisher*, (1931) 135 Or 180, 292 P 813, 295 P 461, 135 ALR 721; *Title & Trust Co. v. Wharton*, (1941) 166 Or 612, 114 P2d 140; *Edward Hines Lbr. Co. v. State Tax Comm.*, (1959) 215 Or 453, 336 P2d 75; *Ore.-Nev.-Cal. Fast Freight, Inc. v. State Tax Comm.*, (1960) 223 Or 314, 353 P2d 541; *Consolidated Freightways, Inc. v. State Tax Comm.*, (1962) 230 Or 522, 370 P2d 224; *Union Pac. R.R. v. State Tax Comm.*, (1965) 240 Or 628, 402 P2d 519, *rev'g* 1 OTR 564; *Spokane, Portland & Seattle Ry. v. State Tax Comm.*, (1966) 2 OTR 382; *Cal-Roof Wholesale, Inc. v. State Tax Comm.*, (1966) 242 Or 435, 410 P2d 233; *Northwestern Acceptance Corp. v. State Tax Comm.*, (1968) 3 OTR 354; *Utah Constr. and Min. Co. v. State Tax Comm.*, (1970) 255 Or 228, 465 P2d 712; *Industrial Air Prods. Co. v. Dept. of Rev.*, (1970) 4 OTR 103, *aff'd*, 259 Or 38, 485 P2d 24.

LAW REVIEW CITATIONS: 39 OLR 292.

317.072

NOTES OF DECISIONS

Until taxpayer has a certificate from the department, he is not entitled to any tax relief under this section. *Hayden Island, Inc. v. Dept. of Environmental Quality*, (1970) 4 OTR 69, *aff'd*, 258 Or 597, 484 P2d 1106.

317.080

NOTES OF DECISIONS

The contemporaneous construction by the commission acquiesced in by the legislature in subsequent reenactment is of considerable weight in construing subsection (9). *Pacific Supply Co-op v. State Tax Comm.*, (1960) 224 Or 556, 356 P2d 939; *Standard Ins. Co. v. State Tax Comm.*, (1962) 230 Or 461, 370 P2d 608.

When a statute is copied from federal law the court adopts the interpretation given the federal act by federal courts. *Pacific Supply Co-op v. State Tax Comm.*, (1960) 224 Or 556, 356 P2d 939; *Santiam Fish & Game Assn. v. State Tax Comm.*, (1962) 229 Or 506, 308 P2d 401.

If the dominant and controlling motive of the taxpayer is primarily to benefit the taxpayers' membership economically and it has no services or means of furthering works of charity, it is not entitled to the exemption in this section. *Oregon Methodist Homes, Inc. v. State Tax Comm.*, (1961) 226 Or 298, 360 P2d 293; *Santiam Fish & Game Assn. v. State Tax Comm.*, (1962) 229 Or 506, 368 P2d 401.

The term "gross receipts" does not include proceeds of capital conversions made without gain. *Corbett Inv. Co. v. State Tax Comm.*, (1947) 181 Or 244, 181 P2d 130.

The modifying language of subsection (6) which follows the phrase "local associations of employes" refers only to such associations and has no bearing on civic leagues or organizations. *Oregon Physicians' Service v. State Tax Comm.*, (1960) 220 Or 487, 349 P2d 831.

"Club" in subsection (7) means "social club." *Santiam Fish & Game Assn. v. State Tax Comm.*, (1962) 229 Or 506, 368 P2d 401.

To qualify for exemption under subsection (6) the organization must be (1) organized as a civic league or organization, (2) not for profit, and (3) operated exclusively for promotion of social welfare. *Id.*

Tax exemptions applying to religions and charities are to be strictly construed. *Board of Publications of Methodist Church v. State Tax Comm.*, (1964) 239 Or 65, 396 P2d 212, *rev'g* 1 OTR 413.

The destination-of-income doctrine is not applied in Oregon to determine the exempt status of an organization. *Id.*

The motive of *Oregon Physicians' Service* was the self-regarding purpose of insuring its members against expense of illness and it was, therefore, not exempt. *Oregon Physicians' Service v. State Tax Comm.*, (1960) 220 Or 487, 349 P2d 831.

The competitive, commercial nature of its business precludes exemption to plaintiff. *Board of Publications of Methodist Church v. State Tax Comm.*, (1964) 239 Or 65, 396 P2d 212, *rev'g* 1 OTR 413.

Plaintiff did not qualify as a "like organization" under subsection (8). *Southern Ore. Health Serv. v. State Tax Comm.*, (1968) 3 OTR 283.

FURTHER CITATIONS: *Title & Trust Co. v. Wharton*, (1941) 166 Or 612, 114 P2d 140; *Kuhns v. State Tax Comm.*, (1960) 223 Or 547, 355 P2d 249; *Standard Ins. Co. v. State Tax Comm.*, (1962) 230 Or 461, 370 P2d 608; *Linnton Plywood Assn. v. State Tax Comm.*, (1965) 241 Or 1, 403 P2d 708; *Friendsview Manor v. State Tax Comm.*, (1966) 247 Or 94, 420 P2d 77.

ATTY. GEN. OPINIONS: Fees and taxes paid by credit unions, 1958-60, p 193; constitutionality of including patronage refund certificate of farm cooperative in gross income, 1960-62, p 174; personal property tax on federal credit unions, 1962-64, p 453; establishment of reserve for excess profits from net proceeds of telephone cooperative revenue from nonmembers, 1966-68, p 188; authority of mass transit district to tax, (1970) Vol 34, p 1066.

LAW REVIEW CITATIONS: 39 OLR 128, 42 OLR 319.

317.090

CASE CITATIONS: *Oregon-Nev.-Cal. Fast Freight, Inc. v. State Tax Comm.*, (1960) 223 Or 314, 353 P2d 541.

ATTY. GEN. OPINIONS: Validity of minimum tax, 1930-32, p 291.

317.096

NOTES OF DECISIONS

Under a former similar statute the formula did not apply to a taxpayer that ceased to do business during the tax year. *Pacific P. & L. v. State Tax Comm.*, (1966) 2 OTR 420, *aff'd*, 249 Or 103, 437 P2d 473; *Pacific Tel. & Tel. v. State Tax Comm.*, (1967) 2 OTR 469, *aff'd*, 249 Or 113, 437 P2d 477.

317.105

CASE CITATIONS: *Edward Hines Lbr. Co. v. State Tax Comm.*, (1959) 215 Or 453, 336 P2d 75; *Ore.-Nev.-Cal. Fast Freight, Inc. v. State Tax Comm.*, (1960) 223 Or 314, 353 P2d 541; *Linnton Plywood Assn. v. State Tax Comm.*, (1965) 241 Or 1, 403 P2d 708.

ATTY. GEN. OPINIONS: Interest on obligations of special districts, 1962-64, p 77.

317.110

CASE CITATIONS: *Oregon-Nev.-Cal. Fast Freight v. State Tax Comm.*, (1960) 223 Or 314, 353 P2d 541.

317.155

CASE CITATIONS: *Hines Lbr. Co. v. Galloway*, (1944) 175 Or 524, 154 P2d 539; *Edward Hines Lbr. Co. v. State Tax*

Comm., (1959) 215 Or 453, 336 P2d 75; Oregon-Nev.-Cal. Fast Freight, Inc. v. State Tax Comm., (1960) 223 Or 314, 353 P2d 541; Linnton Plywood Assn. v. State Tax Comm., (1965) 241 Or 1, 403 P2d 708.

317.160

CASE CITATIONS: Pacific Power & Light v. State Tax Comm. (1966) 2 OTR 420.

317.210

CASE CITATIONS: Martin Bros. v. State Tax Comm., (1967) 3 OTR 111.

317.216

CASE CITATIONS: Cascade Truck Parts & Serv., Inc. v. State Tax Comm., (1969) 3 OTR 420.

LAW REVIEW CITATIONS: 37 OLR 77, 78.

317.220

NOTES OF DECISIONS

In computing gain on sale of land, certain carrying charges and taxes were properly added to original basis to arrive at substituted basis. Ruth Realty Co. v. State Tax Comm., (1960) 222 Or 290, 353 P2d 524.

317.225

CASE CITATIONS: Martin Bros. v. State Tax Comm., (1967) 3 OTR 111.

317.231

NOTES OF DECISIONS

In a transfer under subsection (5), transferor's reserve for bad debts should not be treated as income to him. Burrell v. State Tax Comm., (1968) 3 OTR 328, aff'd, 254 Or 494, 460 P2d 1020.

FURTHER CITATIONS: Martin Bros. Container and Tbr. Prod. Corp. v. State Tax Comm., (1969) 252 Or 331, 449 P2d 430, aff'g 3 OTR 111; Cascade Truck Parts & Serv., Inc. v. State Tax Comm., (1969) 3 OTR 420.

LAW REVIEW CITATIONS: 6 WLJ 137.

317.245

CASE CITATIONS: Industrial Air Prod. Co. v. State Tax Comm., (1964) 236 Or 338, 388 P2d 470.

LAW REVIEW CITATIONS: 42 OLR 305.

317.247

CASE CITATIONS: Columbia Motor Hotels, Inc. v. State Tax Comm., (1967) 3 OTR 48.

LAW REVIEW CITATIONS: 37 OLR 78.

317.249

NOTES OF DECISIONS

"Purchases other property" in subsection (2) cannot be construed to include commencement of construction. Martin Bros. Container and Tbr. Prod. Corp. v. State Tax Comm., (1969) 252 Or 331, 449 P2d 430, aff'g 3 OTR 111.

317.255

NOTES OF DECISIONS

Statutory reserve requirement to do business does not alone justify reserve under tax law. Equitable Sav. & Loan Assn. v. State Tax Comm., (1967) 3 OTR 1, aff'd, 251 Or 70, 444 P2d 916.

317.260

NOTES OF DECISIONS

Where foreign corporation's subsidiaries paid a great percentage of their net income at 12 percent annual interest on sums advanced by the foreign corporation, the mere statement that the organization was advancing large sums of money to itself for purposes and under circumstances which would prevent any other concern from making such advances, failed to show that the charge was bona fide, reasonable, or that it was interest. Beneficial Loan Society of Ore. v. State Tax Comm., (1939) 163 Or 211, 95 P2d 429.

Interest was deductible. Oregon-Wash. Plywood Co. v. State Tax Comm., (1965) 2 OTR 108.

Earnings of prior years credited during the tax year, to the guaranty fund required by statute were not taxable, regardless of losses, in the year credited. Oregon Mut. Sav. Bank v. State Tax Comm., (1965) 2 OTR 124.

317.265

NOTES OF DECISIONS

The deduction for taxes paid or accrued within the taxable year is limited to the taxpayer's own taxes. Broadway-Madison Corp. v. Fisher, (1940) 164 Or 401, 102 P2d 194.

The word "paid" means "accrued or paid" as defined in ORS 317.010. Id.

Real estate taxes on property which a corporation acquired after tax day are not deductible. Id.

Tax payment after "tax day" constitutes part of the purchase price of the property deductible by the transferor. Id.

This section applies to the taxes for personal property tax year, not the taxpayers tax year. Oregon-Wash. Plywood Co. v. State Tax Comm., (1965) 2 OTR 108.

FURTHER CITATIONS: Pacific Tel. & Tel. v. State Tax Comm., (1967) 2 OTR 469.

317.270

NOTES OF DECISIONS

The base of the tax assessed against corporations which do business both within and without this state is not their over-all net income, but their net income earned in Oregon, therefore, losses or profits resulting from operations in other states are immaterial. Hines Lbr. Co. v. Galloway, (1944) 175 Or 524, 154 P2d 539.

LAW REVIEW CITATIONS: 37 OLR 76.

317.280

NOTES OF DECISIONS

Plaintiff's guaranty fund is not the same as a reserve for bad debts. Oregon Mut. Sav. Bank v. State Tax Comm., (1965) 2 OTR 124.

The bad debt reserve provision in the federal Farm Credit Act did not negate this section. Baker Prod. Credit Assn. v. State Tax Comm., (1965) 2 OTR 191, aff'd, 245 Or 352, 421 P2d 984.

Statutory reserve requirement to do business does not alone justify reserve under tax law. Equitable Sav. & Loan

Assn. v. State Tax Comm., (1967) 3 OTR 1, aff'd, 251 Or 70, 444 P2d 916.

317.290

NOTES OF DECISIONS

Plaintiff, although a lessee, was entitled to a percentage depletion allowance. *Hanna Mining Co. v. State Tax Comm.*, (1966) 2 OTR 389, aff'd, 247 Or 389, 430 P2d 563.

317.295

ATTY. GEN. OPINIONS: Gifts to Centennial Commission, 1958-60, p 76; deduction for contributions to Oregon Technical Institute, 1958-60, p 245.

317.297

NOTES OF DECISIONS

A pre-merger net loss may be offset by the continuing enterprise post-merger only against the profits, if any, of the unit which sustained the loss. *Tiffany-Davis Drug Co. v. State Tax Comm.*, (1968) 3 OTR 343; aff'd, 255 Or 279, 465 P2d 878.

317.300

FURTHER CITATIONS: *Ruth Realty Co. v. State Tax Comm.*, (1960) 222 Or 290, 353 P2d 524.

317.305

LAW REVIEW CITATIONS: 37 OLR 78.

317.360

NOTES OF DECISIONS

The filing of consolidated returns is not a matter of right but a matter of legislative grace. *Utico Corp. v. State Tax Comm.*, (1969) 3 OTR 457.

The commission [now department] may permit or require a domestic corporation to file consolidated returns with another domestic corporation. *Utico Corp. v. State Tax Comm.*, (1969) 3 OTR 457; *Oregon Motor Club v. Dept. of Rev.*, (1970) 4 OTR 101.

FURTHER CITATIONS: *Beneficial Loan Socy. v. State Tax Comm.*, (1939) 163 Or 211, 95 P2d 429; *Alpha Corp. v. Multnomah County*, (1948) 182 Or 671, 189 P2d 988.

317.590

CASE CITATIONS: *Sprague v. Fisher*, (1948) 184 Or 1, 197 P2d 662, 203 P2d 274.

317.990

NOTES OF DECISIONS

This statute only applies to organizations otherwise exempt. *Board of Publications of Methodist Church v. State Tax Comm.*, (1964) 239 Or 65, 396 P2d 212, rev'g 1 OTR 413.