



Oregon

Kate Brown, Governor

Department of Revenue

955 Center St NE

Salem, OR 97301-2555

www.oregon.gov/dor

Dear retailer:

Are you ready to collect the new Oregon bicycle excise tax on your taxable bicycle sales? Starting January 1, 2018, you must:

- Collect the flat tax of \$15 on each new taxable bicycle sold in Oregon or online to an Oregon customer.
- Separately identify the tax on your customer's receipt.
- Report and remit the taxes collected from sales of taxable bicycles to the Oregon Department of Revenue at the end of each calendar quarter. Your first return, covering sales from January through March, will be due by April 30, 2018.

A taxable bicycle must meet **all** of the following criteria:

- Be a new bicycle.
- Have wheels that are 26 inches or larger.
- Be exclusively human powered and designed for use on the ground.
- Have a retail purchase price of \$200 or more.

Frequently Asked Questions

Q: Are electric assist bicycles subject to the Oregon bicycle excise tax?

A: No. Electric assist bicycles are currently subject to the vehicle privilege tax rather than the bicycle excise tax. The vehicle privilege tax only applies to electric assist bicycles sold by licensed vehicle dealers. So, electric assist bicycles sold by bicycle retailers are not subject to either the bicycle excise tax or the vehicle privilege tax. However, the legislature could make changes to the law as early as February.

Q: We sell bicycles to out-of-state customers online. Do I need to collect tax on these sales?

A: No. You must collect and report tax on retail sales made in Oregon or online to Oregon customers.

Q: What if a bicycle is returned by a customer. Do we refund the \$15 tax we collected at the time of sale?

A: Yes, you would refund the tax to the customer. You will report this type of transaction on your quarterly return.

Q: What if a \$200 bicycle is on sale, reducing the purchase price to under \$200?

A: If the final purchase price is under \$200, then the tax does not apply.

Q: Is there an exemption for taxable bicycles sold to non-profit organizations or state agencies?

A: No. However, the tax does not apply to bicycles sold to federal government agencies.

Q: We don't sell taxable bicycles. Do we still need to register?

A: No, if you do not sell taxable bicycles you do not need to register. However, if you begin selling taxable bicycles, you will be required to collect, report, and remit the tax. If you don't sell taxable bicycles, please complete and return the form included with this letter.

Registration Instructions for Oregon Bicycle Excise Tax

To register for a vehicle use tax account, go to www.oregon.gov/dor, click on Revenue Online, and then "Open Revenue Online." Look for "Register for transportation taxes" in the Quick Links section on the Revenue Online homepage.

Once you have completed the registration process and have a Revenue Online account, you'll be able to view your bicycle excise tax account and report and remit the tax electronically.

What information do I need to register?

You'll need the following information to complete the registration process:

- The name, mailing address, and federal tax identifier of the entity you are registering. The identifier may be a federal employer identification number (FEIN), Social Security number (SSN), or individual taxpayer identification number (ITIN).
- The name, mailing address, and federal identifier (FEIN, SSN, or ITIN) of all company owners and officers.
- The date you began selling taxable bicycles, if it's after January 1, 2018.
- A Revenue Online account or a valid email address to create a Revenue Online account.

What if I need help with the registration process or I have additional questions?

If you need assistance with the registration process, or you have additional questions regarding the Oregon bicycle excise tax, please contact us by email at spa.help@oregon.gov or by phone at (503) 945-8120.

You can also find additional information about the Oregon bicycle excise tax on our website: www.oregon.gov/dor.

Thank you,

Special Programs Administration (SPA)

Only complete this form and return it to the Oregon Department of Revenue if your business doesn't sell any taxable bicycles.

Seller name: _____

Address of seller: _____

Federal employer identification number (FEIN): _____

Social Security number (if the seller has no FEIN): _____

We **don't** sell taxable bicycles in Oregon or online to Oregon consumers.

Contact name: _____

Contact phone: _____

Signature: _____ Date: _____

Fill out this form and:

- Mail it to:
Special Programs Administration
Oregon Department of Revenue
PO Box 14110
Salem OR 97309-0910
- Email it to spa.help@oregon.gov.
- Fax it to (503) 947-2255.