

2007 Regular Legislative Session
FISCAL ANALYSIS OF PROPOSED LEGISLATION
Prepared by the Oregon Legislative Fiscal Office

MEASURE NUMBER: HJR 15

STATUS: A-Engrossed **MINORITY REPORT**

SUBJECT: Amending Constitution to allow a personal income tax credit to resident and non-resident taxpayers for charitable contributions. Referring to the next biennial general election.

GOVERNMENT UNIT AFFECTED: Oregon Secretary of State

PREPARED BY: Adrienne Sexton

REVIEWED BY: Daron Hill

DATE: June 14, 2007

	<u>2007-09</u>	<u>2009-11</u>
EXPENDITURES:		
Elections Division		
Voters' Pamphlet - General Fund	\$ 12,020	\$ 0
REVENUES:		
Elections Division - General Fund	\$ 1,000	\$ 0

GOVERNOR'S BUDGET: This bill is not included in the Governor's budget.

LOCAL GOVERNMENT MANDATE: This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

COMMENTS: This measure would refer for voter approval a proposed Constitutional amendment to allow a personal income tax credit to resident and non-resident taxpayers for charitable contributions. The credit would be limited to the lesser of the total contribution, not to exceed \$50 for an individual return or \$100 for a joint return, or the tax liability of the taxpayer. The referral would be on the ballot at the statewide biennial general election of 2008.

The fiscal impact to the Secretary of State's office is the state's portion of incremental costs incurred for an already-funded election. Because there were no legislative referrals on the 2006 ballot, estimates of the number of pages that would be used are based on the 2004 general election ballot. Actual cost of the 212-page 2008 general voters' pamphlet (\$1,235,858), adjusted for inflation was used for estimating 2007-09 costs. There were ten initiative measures on that ballot. Each referral is assumed to result in 2 additional pages in the voters' pamphlet, for a General Fund total of \$12,020. The revenue estimate assumes one argument pro and con would be filed relating to the referral, at \$500 per argument.

The total number of initiatives and legislative referrals affecting the 2008 election cycle will not be known until the respective deadlines of the primary and general elections. Therefore the cumulative impact, including this measure, cannot be determined. The Secretary will seek a General Fund appropriation from the Emergency Board or the Legislative Assembly in session when the actual voters' pamphlet costs are known.

Under procedures established in ORS 250.125 and 250.127, a financial impact committee is created for each state measure submitted to the ballot through the initiative and referendum processes. For this reason, the Legislative Fiscal Office does not include an estimate of the fiscal impact that would result if HJR 15-A Minority Report were to be adopted by a vote of the people.