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

MEASURE NUMBER: SB 819 STATUS: A-Engrossed

SUBJECT: Changes basis for calculation of income tax "kicker" **GOVERNMENT UNIT AFFECTED:** Department of Revenue

PREPARED BY: Adrienne Sexton **REVIEWED BY:** Dallas Weyand

DATE: May 11, 2007

EXPENDITURES – Other Funds:	2007-2009	2009-2011
Personal Services	\$ 62,292	\$ 0
Services and Supplies	\$ 139,637	\$ 0
	\$ 201,929	\$ 0

POSITIONS / FTE:

Office Specialist 2 1 / 0.66

EFFECTIVE DATE: 91st day after adjournment sine die

GOVERNOR'S BUDGET: This bill is not anticipated by the Governor's recommended 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: The measure changes the basis for calculating refunds of tax revenues that exceed a biennium's estimated amount, known as the "kicker." The Department of Revenue (DOR) anticipates an increase in expenditures for public service representatives to respond to 25,500 additional contacts by taxpayers, toll-free line charges, and additional refund checks or offset notices. Actual expenses will be included in DOR's certification of refund costs to be made within 15 days of the date of the report made by the Department of Administrative Services under ORS 291.341.