

# REVENUE IMPACT OF PROPOSED LEGISLATION

74th Oregon Legislative Assembly  
2007 Regular Session  
Legislative Revenue Office

<b>Bill Number:</b>	HB 2026
<b>Revenue Area:</b>	Income
<b>Economist:</b>	Chris Allanach
<b>Date:</b>	3-16-2007

## Measure Description:

Extends the exemption of military duty compensation from personal income tax to include active duty service performed by the Oregon National Guard, military reservists or organized militia while away from home. The duty must consist of service where the taxpayer is required to be away from home overnight for a period of three consecutive weeks or more. Permits the filing of claims for a refund for tax years 2001 through 2004. Takes effect on the 91<sup>st</sup> day following adjournment sine die.

## Revenue Impact:

	2007-08	2008-09	2007-09 Biennium	2009-11 Biennium
State General Fund	-\$100,000	-\$25,000	-\$125,000	-\$50,000

## Impact Explanation:

Most of the revenue impact in 2007-08 is due to refunds that would be issued for amended returns. These are largely the result of Reservists who were called up to active duty after 9/11 and served in Oregon. The ongoing revenue impact of roughly -\$50,000 per biennium is due to a variety of duty tours that would require Reservists to be away from home for at least three consecutive weeks.

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