

# REVENUE IMPACT OF PROPOSED LEGISLATION

74th Oregon Legislative Assembly  
2007 Regular Session  
Legislative Revenue Office

<b>Bill Number:</b>	HB 2031-B
<b>Revenue Area:</b>	Income, Estate
<b>Economist:</b>	Allanach, Malik
<b>Date:</b>	3-8-2007

## Measure Description:

Creates a one-time 67% credit for C-corporations. The credit is applied against tax year 2007 liability (i.e. taxes after other credits) for corporations with less than \$5 million in Oregon sales. Defines 'Oregon sales' for purposes of the credit. States that the bill only takes effect if HB 2707-C is passed by both houses of the Legislative Assembly and signed by the Governor on or before March 16, 2007.

## Revenue Impact:

(\$ Millions)	2007-08	2008-09	2007-09 Biennium	2009-11 Biennium
State General Fund	-\$24.8	\$0.0	-\$24.8	\$0.0

## Impact Explanation:

The March 2007 estimate of the 2005-07 corporate kicker is \$315 million. Corporations with Oregon sales of less than \$5 million are projected to receive \$24.8 million of this total. The 67% credit provides a level of certainty for corporations about the amount of credit that they can expect for tax year 2007.