

**REVENUE IMPACT OF
PROPOSED LEGISLATION**
74th Oregon Legislative Assembly
2007 Regular Session
Legislative Revenue Office

Bill Number:	HB 2032-A
Revenue Area:	Property Tax
Economist:	Mary Ayala
Date:	March 13, 2007

Measure Description: Requires the Department of Revenue to pay the delinquent taxes, interest and penalties on homestead property, for which a property tax deferral is claimed by qualified seniors or disabled persons, as of the dates they initially file their claims on or after January 1, 2008.

Revenue Impact:

	2007-08	2008-09	2007-09 Biennium	2009-11 Biennium
State General Fund	-\$15,000	-\$15,000	-\$30,000	-\$30,000
State Other Funds	0	0	0	0
Local Government	+\$8,700	+\$8,700	+\$17,400	+\$17,400
Local School Districts	+\$6,300	+\$6,300	+\$12,600	+\$12,600

Impact Explanation: Assume 50 new accounts each year will have balances on a one year prior tax liability of \$300 at the end of the first year of enrollment in the Deferral program. These assumptions are influenced by the following factors that have been incorporated into the revenue impacts:

1. a decade long trend of declining program participation,
2. payments of prior tax liabilities prior to the end of the first year of enrollment,
3. partial payments during the first year,
4. drop out rates; and
5. interest accrual on accounts.