

**REVENUE IMPACT OF  
PROPOSED LEGISLATION**  
75th Oregon Legislative Assembly  
2009 Regular Session  
Legislative Revenue Office

**Bill Number:** SB 880 B  
**Revenue Area:** State Finance  
**Economist:** Paul Warner  
**Date:** 6-22-09

**Measure Description:**

Establishes personal, corporate and inheritance tax amnesty. Amnesty runs from October 1 through November 19, 2009. Directs Department of Revenue to waive penalties and ½ interest payments that would otherwise be due for taxpayers who come forward during amnesty period. Limits amnesty participants to those who have not received a notice of deficiency from the Department of Revenue. Establishes 25% additional post-amnesty penalty for those who could potentially participate in amnesty but choose not to. Places proceeds from amnesty in a separate Amnesty Fund. Pays for Department of Revenue administrative costs out of Amnesty Fund.

**Revenue Impact (\$Millions):**

	Fiscal Year		Biennium		
	2009-10	2010-11	2009-11	2011-2013	2013-2015
<i>Amnesty Fund</i>					
Gross Revenue	\$12	\$4.7	\$16.7	0	0
Estimated DOR Costs	-\$1.0	0	-\$1.0	0	0
Revenue from New Penalties	0	\$0.5	\$0.5	\$1.0	\$0.25
Net Amnesty Fund Revenue	\$11	\$5.2	\$16.2	\$1.0	\$0.25
<i>General Fund</i>					
Assumed Collections Under Current Law	0	-\$0.8	-\$0.8	-\$1.7	-\$1.8
New Revenue from Identified Taxpayers	0	\$1.0	\$1.0	\$2.5	\$2.5
Net Impact to General Fund	0	\$0.2	\$0.2	\$0.8	\$0.7

**Impact Explanation:** Revenue estimates are largely based on amnesty experience in other states. The Legislative Revenue Office developed a revenue impact estimate for a similar bill in the 2005 session (SB 480) based on Michigan's 2002 amnesty. The current estimate has been updated with information from Iowa's 2007 amnesty. The estimates are based on collections from personal & corporate non-filers and amended returns and then proportioned based on the ratio of Iowa to Oregon income tax collections.

**Creates, Extends, or Expands Tax Expenditure:** No