

75TH OREGON LEGISLATIVE ASSEMBLY
STAFF MEASURE SUMMARY
HOUSE REVENUE COMMITTEE

MEASURE: HB 2749
CARRIER: Rep. Esquivel

REVENUE: issued - Revenue Impact

FISCAL: Issued - Fiscal Impact

Action: Do Pass.

Vote: 7-2-1

Yeas: Bailey, Bentz, Berger, Kahl, Read, Riley, Barnhart

Nays: Bruun, Gelser

Exc.: Sprenger

Prepared By: Mazen Malik, Economist

Meeting Dates: 04/30, 05/13

WHAT THE BILL DOES: Increases amusement device tax from \$10 to \$20 to fund the Oregon Youth Conservation Corps. Applies to tax years beginning on or after January 1, 2010 and to taxes due for amusement devices that begin operating on or after July 1, 2010.

ISSUES DISCUSSED:

- OCYC programs. Benefits to youth and society at large.
- The establishment of the tax and what it pays for, and the type of devices it applies to.
- Gender distributions and balance in the participants.
- The geographic and demographic characteristics of participants.
- Other taxes and fees on devices.

EFFECT OF COMMITTEE AMENDMENTS: No amendments

BACKGROUND:

ORS 320.005(1) defines an "amusement device" as a video lottery game terminal, including but not limited to any electronic, mechanical-electronic or non-mechanical device that displays a ticket through the use of a video display screen; is available for consumer play upon the payment of consideration; determines winners through the element of chance; and displays possible prizes on the device. Other law, **ORS320.011** has additional Amusement device excise tax; amount. The tax shall be \$125 for operating an amusement device during the tax year.

An additional tax is also increased in ORS 320.012 when net receipts exceed specified amounts; rules. (1) If at any point during the tax year, net receipts from one or more amusement devices operating at a single location exceed \$104,000, the tax is increased by an additional \$50 for each device at the location. (2) If net receipts exceed \$260,000, the tax is increased by an additional \$75 for each device at the location.

Distribution of tax receipts are in ORS320.100 (1) All moneys received from the taxes imposed under ORS 320.011 and 320.012, including penalties, shall be paid by the Department of Revenue in the following manner:

(a) Seventy-five percent (75%) of the moneys shall be credited, appropriated or remitted as follows:

(A) (43.2%) to the General Fund to be available for payment of general governmental expenses.

(B) (9.7%) to state and local programs of the Oregon Youth Conservation Corps.

(C) (47.1%) to the county treasurers of the several counties of the state. Each county based on its population. Money shall be placed in the general fund of each county to be expended by the county courts or the board of county commissioners

(b) (25%) of the moneys shall be continuously appropriated to pay the expenses of the state and local programs of the Oregon Youth Conservation Corps

State Capitol Building
900 Court St NE, Room 143
Salem, OR 97301-1347

Phone: 503-986-1266
Fax: 503-986-1770
<http://www.leg.state.or.us>