

PRELIMINARY

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

Bill Number:	HB 2258
Revenue Area:	Income Taxes
Economist:	Chris Allanach
Date:	2-3-09

Measure Description:

Modifies the definition of "lower income household" from "80 percent of the median household income for the area" to "the greater of 80 percent of the median household income for the area or 200 percent of the area poverty guidelines."

Revenue Impact (\$Millions):

	Fiscal Year		Biennium		
	2009-10	2010-11	2009-11	2011-2013	2013-2015
State General Fund	Minimal*		Minimal*		

* Revenue loss of less than \$50,000 per biennium.

Impact Explanation:

The modification to the definition of "lower income household" could bring additional account holders into the program. The greater number of account holders could slightly increase the demand for the tax credits and subtraction associated with Individual Development Accounts, but the magnitude is expected to be small.

Creates, Extends, or Expands Tax Expenditure: Yes

(The committee needs to identify a purpose and expected outcome for the policy change.)