

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

Bill Number: HB 2749-A
Area: Amusement Device Tax
Economist: Mazen Malik
Date: 6/18/2009

Measure Description:

Increases amusement device tax from \$10 to \$20 to fund the Oregon Youth Conservation Corps. Applies to amusement devices that begin operating on or after tax years beginning on July 1, 2010. Conditions distribution of funds on reports to the Legislative Assembly no later than February 1, 2010.

Revenue Impact:

The suggested doubling of the tax rate will generate about \$123,000 for the 2011 fiscal year (and the 2009-11 biennium). An increase of about \$246 thousand for the following two biennia, and the average annual increase proportional to the state population growth.

Impact Explanation:

This bill would amend ORS 320.013 to increase the annual tax on amusement devices (including the Lottery's Video Lottery terminals) from \$10 to \$20 beginning July 1, 2010. Lottery currently collects this tax for the Department of Revenue on the Video Lottery terminals that the Lottery owns. As of March 2009, the Lottery had 12,273 Video Lottery terminals in operation.

The distribution of funds is conditioned on OYCC reports to the Legislative Assembly no later than February 1, 2010. The report will cover the demographic participation in the cops, and recruitment efforts.

Creates, Extends, or Expands Tax Expenditure: Yes No

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