

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

| | |
|----------------------|----------------|
| Bill Number: | HB 2839A |
| Revenue Area: | Income Taxes |
| Economist: | Chris Allanach |
| Date: | 4-17-09 |

Measure Description:

Allows certain taxpayers to subtract from Oregon taxable income, any amount included in federal taxable income for health insurance benefits received by the taxpayer for their domestic partner. Eligible taxpayers must have been eligible to register as the partner on February 1, 2008, did in fact register as such by December 31, 2008, and received untaxed health benefits under state law prior to February 1, 2008. Applies only to tax year 2008.

Revenue Impact:

| | Fiscal Year | | Biennium | | |
|---------------------|-------------------|-------------|-------------------|-------------|-------------|
| | 2009-10 | 2010-11 | 2009-11 | 2011-2013 | 2013-2015 |
| General Fund | - \$16,000 | \$ 0 | - \$16,000 | \$ 0 | \$ 0 |

Roughly 125 taxpayers are expected meet the eligibility requirements and be able to reduce their taxable income under this law. The amount they can subtract depends on the month in which they registered as domestic partners. The earlier in the year they registered, the less this law would affect them. In total, the taxpayers affected by this bill would be able to reduce their taxable income by approximately \$180,000, which results in the \$16,000 revenue loss. This impact assumes that most of the impact will occur in the fall of 2009 as these taxpayers either file their 2008 tax return after having filed for an extension, or file an amended 2008 tax return.

Creates, Extends, or Expands Tax Expenditure: No