

**REVENUE IMPACT OF  
 PROPOSED LEGISLATION**  
 Seventy-Sixth Oregon Legislative  
 Assembly 2011 Regular Session  
 Legislative Revenue Office

**Bill Number:** HB 2124  
**Revenue Area:** Timber Tax  
**Economist:** Christine Broniak  
**Date:** 4/29/2011

**Measure Description:**

Extends privilege taxes on merchantable forest products harvested on forestlands used for forest research and administering the Oregon Forest Practices Act. Changes or reestablishes rate of 92 cents per thousand board feet for the Forest Research Laboratory at OSU and 77 cents per thousand board feet for administration of the Oregon Forest Practices Act. Eliminates 37 cent per thousand board feet rate that is dedicated to field administration of the Oregon Forest Practices Act. Applies to forest products harvested on and after January 1, 2012 until December 31, 2013.

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

	2011-13	2013-15
<b>Revenues With a 20% Reduction</b>		
Other Funds – Forest Research Laboratory (73.6 cents/thousand board feet)	\$ 3.75	\$ 1.39
Other Funds – Oregon Forest Practices Act Administration (\$1.15/thousand board feet)	\$ 5.85	\$ 2.17
<b>Total Revenues with 20% Reduction</b>	<b>\$ 9.60</b>	<b>\$ 3.56</b>
<b>Revenues at Current Rates</b>		
Other Funds – Forest Research Laboratory (92 cents/thousand board feet)	\$ 4.68	\$ 1.74
Other Funds – Oregon Forest Practices Act Administration (\$1.44/thousand board feet)	\$ 7.33	\$ 2.72
<b>Total Revenues at Current Rates</b>	<b>\$ 12.01</b>	<b>\$ 4.46</b>
<b>Revenues with a 20% Increase</b>		
Other Funds – Forest Research Laboratory (\$1.10/thousand board feet)	\$ 5.60	\$ 2.07
Other Funds – Oregon Forest Practices Act Administration (\$1.73/thousand board feet)	\$ 8.81	\$ 3.27
<b>Total Revenues with 20% Increase</b>	<b>\$ 14.41</b>	<b>\$ 5.34</b>

**Impact Explanation:**

The revenue is based on an estimated harvest of 5.09 billion board feet affected by this measure in 2011-2013 and 1.89 billion board feet affected by this measure in 2013-15.

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

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