

Preliminary

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

Bill Number: HB 2527
 Revenue Area: Income Taxes
 Economist: Chris Allanach
 Date: 5/25/2011

Measure Description: Extends the sunset date for the Oregon affordable housing lender's credit from January 1, 2014 to January 1, 2020.

Revenue Impact (in \$Millions):

	Fiscal Year		Biennium		
	2011-12	2012-13	2011-13	2013-2015	2015-2017
General Fund	\$0	\$0	\$0	-\$2.8	-\$5.2

Impact Explanation: The estimates are based on the history of the program as well as projections for future use of the tax credit. In 2008, 21 corporation taxpayers claimed a total of \$7.1 million in affordable housing tax credits. Eighteen of these corporations were able to reduce their tax liability by a total of \$1.9 million, an average tax reduction of roughly \$106,000 per beneficiary.

Creates, Extends, or Expands Tax Expenditure: Yes No

The policy purpose of this measure is to encourage the construction and rehabilitation of rental housing for lower-income households.