

FISCAL IMPACT OF PROPOSED LEGISLATION Measure: HB 2541 – A18, A22, A23, A25
Seventy-Sixth Oregon Legislative Assembly – 2011 Regular Session
Legislative Fiscal Office

MEASURE: HB 2541 - A18, A22, A23, A25

EXHIBIT: C

Senate Finance and Revenue 76th Session

Prepared by: Matt Stayner
Reviewed by: Laurie Byerly
Date: 6/7/11

DATE: 06-08-2011 PAGES: 1

SUBMITTED BY: Matt Stayner

Measure Description:

Replaces inheritance tax imposed on basis of former federal credit for state death tax with estate tax imposed as percentage of Oregon taxable estate and modifies related provisions.

-A18

- makes the implementation date 2012 rather than retroactive to 2011
- removes section 29 dealing with the mechanics of the retroactive implantation date that is now irrelevant because of the date change
- renumbers subsequent sections

-A22

- Decreases the cap for the "natural resource" exemption on real property from \$1.5 million or 20 percent to \$1.0 million or 15 percent

-A23

- Requires notice to transferee of property for which a natural resource exemption is claimed of possible additional taxes due if property is not used for claimed purpose or is subsequently transferred to an ineligible party within a specific time period.

-A25

- Changes the marginal tax rates and amounts for taxable estates. Removes \$1.5 million deduction, increases the minimum taxable amount to \$1.0 million.
- Increases the total natural resource credit amount by increasing the alternate maximum amount used as a numerator in computing the natural resource percentage of the total estate.
- Reduces the threshold from \$1.5 million to \$1.0 million for the total value of an estate whereby an estate tax return is required to be filed.

Government Unit(s) Affected:

Department of Revenue(DOR)

Analysis:

The proposed legislation has been determined to have

NO EXPENDITURE IMPACT

on state or local government.