

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

Bill Number: HB 2124
Revenue Area: Timber Taxation
Economist: Paul Warner
Date: 3/4/2011

Measure Description:

Extends privilege taxes on merchantable forest products harvested on forestlands.

Revenue Impact (in \$Millions): Revenue impact for the 2011-13 biennium depends on tax rate levied on a cents per thousand board feet of merchantable forest products basis. The bill currently has two blanks for tax rates to be filled in during the budget process. One rate is for funding research at the Oregon State University Forest Research Laboratory. The other is for funding administration of the Oregon Forest Practices Act. These new rates will be applied to the 2012 and 2013 calendar years.

Impact Explanation: The total tax rate for the 2010 and 2011 calendar years is \$2.06 per thousand board feet. The revenue impact issued in the 2009 legislative session estimated that the combined rates would generate \$12.5 million in the 2009-11 biennium.

Creates, Extends, or Expands Tax Expenditure: Yes No