

**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
Revenues With a 20% Reduction		
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
Total Revenues with 20% Reduction	\$ 9.60	\$ 3.56
Revenues at Current Rates		
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
Total Revenues at Current Rates	\$ 12.01	\$ 4.46
Revenues with a 20% Increase		
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
Total Revenues with 20% Increase	\$ 14.41	\$ 5.34

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

Comment [CB1]: 2011 – 3Q – 0.7095
2011 – 4Q – 0.9446
2012 – 1Q – 0.6812
2012 – 2Q – 0.8700
2012 – 3Q – 0.8192
2012 – 4Q – 1.0755
2013 – 1Q – 0.7724
2013 – 2Q – 0.8700 (Est. the same as 2012 2Q)
Total 2011-13: 6.74 Billion Board Feet
Total Affected by the change in 2011-13 (2012 and 2013): 5.09 Billion Board Feet
2013 – 3Q – 0.8192 (Est. the same as 2012 3Q)
2013 – 4Q – 1.0755 (Est. the same as 2012 4Q)
Total Affected by the change in 2013-15 (2013): 1.89 Billion Board Feet

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