

**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: 5/2/2011**

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