

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

Bill Number: HB 3170 - B
Revenue Area: Income Taxes
Economist: Chris Allanach
Date: 6/17/2011

Measure Description: Moves the sunset date for the tax credit for new diesel engines forward from December 31, 2013 to July 1, 2011.

Revenue Impact (in \$Millions):

	Biennium		
	2011-13	2013-2015	2015-2017
General Fund	\$0.3	\$0.2	minimal

Minimal is a revenue gain of less than \$50,000.

Impact Explanation: The estimated revenue impact is due to moving the sunset forward from 2013 to 2011. It is based on the historical use of the credit and the projected use of the tax credit if it were to remain in effect. The number of tax certificates granted peaked in 2006 at 94, totaling just over \$300,000, but had declined during the recession to 26 in 2010, totaling roughly \$200,000. As the economy continues to recover, use of the credit is expected to increase from its 2010 level, if it were continued as structured under current law.

Creates, Extends, or Expands Tax Expenditure: Yes No