

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

Bill Number: HB 3597
Revenue Area: Income Taxes
Economist: Chris Allanach
Date: 4/7/2011

Measure Description: For purposes of the Business Energy Tax Credit, modifies the definition of “recycling facility” to include equipment used solely for processing waste plastic into synthetic crude oil. Applies to preliminary certifications issued on or after January 1, 2012.

Revenue Impact: A minimal revenue loss of less than \$50,000 per biennium.

Impact Explanation: The bill expands the Business Energy Tax Credit by making the use of certain kinds of recycling equipment eligible for the credit beginning January 1, 2012. However, the bill does not change the current law sunset date of June 30, 2012 for final certification. Consequently, there is a short time frame for potential projects to apply for pre-certification and ultimately receive final certification before the credit sunsets. The minimal revenue loss stated here assumes that a small project or two could be completed within this time frame. Further analysis will be done in the Joint Committee on Tax Credits if the bill is referred to that committee.

Creates, Extends, or Expands Tax Expenditure: Yes No

The policy purpose of this measure is
(to be completed by the House Committee on Energy, Environment and Water)