

**REVENUE IMPACT OF
PROPOSED LEGISLATION**
Seventy-Seventh Oregon Legislative Assembly
2013 Regular Session
Legislative Revenue Office

Bill Number: HB 3317-5
Revenue Area: 911 Tax
Economist: Mazen Malik
Date: 04/04/2013

*Only Impacts on Original or Engrossed
Versions are Considered Official*

Measure Description:

Extends period of applicability of emergency communications tax.

Revenue Impact (in \$Millions):

	FY 14	FY 15	FY 16	FY 17	Biennium		
					13-15	15-17	15-18
Sunset extension Extend Revenue	\$38.87	\$38.68	\$38.51	\$38.34	\$77.55	\$76.84	\$76.51
Collection allowance extension 0.5%	(\$0.19)	(\$0.19)	(\$0.19)	(\$0.19)	(\$0.39)	(\$0.38)	(\$0.38)
Net Revenue From Extension	\$38.68	\$38.49	\$38.31	\$38.14	\$77.17	\$76.46	\$76.13
Enhanced Enforcement Revenue	\$0.36	\$1.13	\$1.16	\$1.19	\$1.49	\$2.35	\$2.41
Additional 0.25% DOR Allowance	(\$0.07)	(\$0.10)	(\$0.10)	(\$0.10)	(\$0.20)	(\$0.20)	(\$0.20)
Net Revenue From Enforcement	\$0.29	\$1.03	\$1.06	\$1.09	\$1.29	\$2.15	\$2.21
Total Net Revenue	\$38.96	\$39.52	\$39.37	\$39.23	\$78.46	\$78.61	\$78.34

Impact Explanation:

There is presently a 75 cent per month tax on every subscriber who has telecommunication services with access to the 9-1-1 emergency reporting system. This tax is collected by the service provider from the subscriber. The program collects about \$39 million a year, but is set to expire on January 1, 2014. This measure extends the tax till 2022. The last four fiscal years of collections are shown in the table.

	Revenue	Change
2008-09	40.26	2.1%
2009-10	39.64	-1.5%
2010-11	39.54	-0.3%
2011-12	39.27	-0.7%

By extending the sunset date the bill continues the 75 cents tax for 911 services. The enforcement will add to the revenue collected while DOR will be allowed 0.25% for the enforcement effort.

Creates, Extends, or Expands Tax Expenditure: Yes No