

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

Bill Number:	HB 2407
Revenue Area:	Income Taxes
Economist:	Chris Allanach
Date:	2/26/2013

Only Impacts on Original or Engrossed Versions are Considered Official

Measure Description: Extends the sunset date for the political contributions tax credit from January 1, 2014 to January 1, 2020.

Revenue Impact (in \$Millions):

	Fiscal Year		Biennium		
	2013-14	2014-15	2013-15	2015-2017	2017-2019
General Fund	\$0	-\$7.2	-\$7.2	-\$20.7	-\$15.8

Impact Explanation: The use of this credit follows the political cycle, with use being the greatest in years of a presidential election. From tax years 2008 to 2011, the number of claimants ranged from 97,000 to 130,000. The annual average claimed was \$7.3 million with 92 percent (\$6.7 million) being used to reduce tax liability. Tax year 2008 showed the greatest usage with 130,000 taxpayers claiming \$8.8 million in credits; \$8.2 million was used to reduce tax liability. The estimated revenue impact here is tied to the political cycle and accounts for population growth.

Creates, Extends, or Expands Tax Expenditure: Yes No

The policy purpose of this measure is

Further Analysis Required