

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

Bill Number: HB 2478A  
Revenue Area: Income Taxes  
Economist: Chris Allanach  
Date: 3/12/2013

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

**Measure Description:** Extends the sunset date for the tax credit for employer provided scholarships from January 1, 2014, to January 1, 2020. Restricts the definition of "qualified scholarship" to mean scholarships used to pay expenses of attending an institution or program in Oregon.

**Revenue Impact:** Revenue loss of less than \$50,000 per year.

**Impact Explanation:** Based on income tax return data from the Department of Revenue, between 30 and 35 personal income tax filers claim a total of \$50,000 in tax credits each year (based on tax years 2008 to 2011). The annual average reduction in tax liability was just under \$25,000. Aside from tax year 2010, in which \$80,000 in tax credits were claimed and \$30,000 were used to reduce liability, the use of the credit has been relatively stable. The estimated impact here assumes a continuation of this stability with little growth and perhaps a slight decline with the restriction pertaining to Oregon schools.

Further analysis will be done when the bill is in the Joint Committee on Tax Credits.

**Creates, Extends, or Expands Tax Expenditure:** Yes  No

The policy purpose of this measure is

Further Analysis Required