

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

**Bill Number: HB 3453 - B
Revenue Area: Local Finance
Economist: Paul Warner
Date: 7-7-13**

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

Measure Description:

Provides that Governor may proclaim public safety fiscal emergency for one or more counties where fiscal conditions compromise county ability to provide minimally adequate level of public safety services.

In meeting their 50% funding requirement under such an agreement, counties may impose a tax on personal and corporate income. The tax would apply to residents and those having economic nexus in the county. The county entering such an agreement may also raise the required revenue through the imposition of a local tax on telecommunications services or any assessment the local governing county has the authority to impose.

Revenue Impact (in \$Millions): Indeterminate

Impact Explanation: The revenue impact to a county entering into a public safety fiscal emergency agreement is dependent on the specifics and timing of the agreement. A surcharge percentage on personal income in the county could be estimated by dividing the needed revenue agreed to with the state by the estimated liability of personal income taxpayers in the county. The Department of Revenue reports estimated tax liability by county annually. However, estimating the amount of corporate income attributed to economic activity in the county would be more problematic due to lack of data at that level.

Creates, Extends, or Expands Tax Expenditure: No