

HB 3601 DESCRIPTION & IMPACT					REVENUE IMPACT ESTIMATES				
					(in millions)				
					2013-15	2015-17	2017-19	2019-21	2021-23
SECTION 1: CORPORATE TAX RATE					\$ 74	\$ 74	\$ 34	\$ 36	\$ 39
APPLY 7.6% TAX RATE TO NET CORPORATE INCOME ABOVE \$1 MILLION									
SECTION 2: PERSONAL EXEMPTION CREDIT					\$ 61	\$ 64	\$ 76	\$ 93	\$ 107
DISALLOW FOR JOINT AGI ABOVE \$200,000 AND SINGLE ABOVE \$100,000									
SECTIONS 3-5: SENIOR MEDICAL DEDUCTION					\$ 82	\$ 117	\$ 158	\$ 205	\$ 244
CONVERT FROM DEDUCTION TO SUBTRACTION, PHASE OUT SUBTRACTION BASED ON INCOME, GRADUALLY RAISE ELIGIBILITY AGE TO 66									
SECTION 6: TAX TREATMENT FOR INTEREST CHARGE DOMESTIC INTERNATIONAL SALES CORPS					\$ (5)	\$ (7)	\$ (8)	\$ (8)	\$ (9)
EXEMPT EXISTING IC-DISCs FROM CORPORATE MINIMUM, ESTABLISH 2.5% TAX RATE									
SECTION 6a: OREGON EARNED INCOME TAX CREDIT					\$ (12)	\$ (25)	\$ (25)	\$ (13)	\$ -
INCREASE EITC FROM 6% TO 8% OF FEDERAL CREDIT									
SECTION 7: APPLICABILITY DATES									
SECTIONS 1-5 APPLY TO 2013 TAX YEAR, SECTION 6a APPLIES TO 2014 TAX YEAR									
SECTIONS 8 & 9: ALLOCATION OF CORPORATE INCOME TAX REVENUE TO RAINY DAY FUND					SEE BELOW				
2013-16: REVENUE ABOVE 7.5% GOES TO RDF, 2017 AND BEYOND: REVENUE ABOVE 7.2% GOES TO RDF									
SECTIONS 10-13: ELECTION FOR SEPARATE TAX RATE FOR ACTIVE SCHEDULE E INCOME					\$ (38)	\$ (205)	\$ (239)	\$ (277)	\$ (332)
REQUIRES MATERIAL PARTICIPATION, AT LEAST ONE NON-INVESTOR EMPLOYEE									
RATES: 7% BELOW \$250K, 7.2% BELOW \$500K, 7.6% BELOW \$1 M, 8% BELOW \$2.5M, 9% BELOW \$5 M									
SECTIONS 14-23: CIGARETTE TAX, ALLOCATION OF NEW REVENUE					\$ 27	\$ 32	\$ 31	\$ 29	\$ 28
INCREASE CIGARETTE TAX 13 CENTS(1-1-14), 14 CENTS(1-1-16), 15 CENTS(1-1-18)									
2014-15: ALLOCATE 10 CENTS TO MENTAL HEALTH, 3 CENTS TO GENERAL FUND									
2016-2017: ALLOCATE 14 CENTS TO MENTAL HEALTH, 2018 & BEYOND: 15 CENTS TO MENTAL HEALTH									
SECTION 24: WAIVE PENALTIES AND INTEREST FOR UNDERPAYMENT ON 2013 TAXES CAUSED BY BILL									
SECTION 25: RULE MAKING AUTHORITY FOR DEPARTMENT OF REVENUE									
SECTION 26: EFFECTIVE DATE OF ACT									
TOTAL					\$ 189	\$ 50	\$ 28	\$ 65	\$ 77
RAINY DAY FUND ALLOCATIONS OF CORPORATE INCOME TAX REVENUE									
CURRENT LAW					\$ 42	\$ 42	\$ 43	\$ 46	\$ 49
HB 3601					\$ 10	\$ 10	\$ 54	\$ 57	\$ 61
LRO: 9-30-13									