

**REVENUE IMPACT OF  
PROPOSED LEGISLATION  
Seventy-Seventh Oregon Legislative  
Assembly  
2014 Regular Session  
Legislative Revenue Office**

**Bill Number: HB 4148 - A  
Revenue Area: Tax Deferral  
Economist: Christine Broniak  
Date: 2/11/2014**

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

**Measure Description:**

Changes interest rate accruing on deferred taxes under homestead property tax deferral program from six percent compounded annually to six percent per annum. Applies this change to amounts paid after July 1, 2016, whether the payment is for property taxes incurred before or after this date.

**Revenue Impact (in \$Millions):**

	Fiscal Year		Biennium		
	FY 2013-14	FY 2014-15	2013-15	2015-17	2017-19
<b>Senior and Disabled Property Tax Deferral Account</b>	\$0	\$0	\$0	-\$0.65	-\$0.85

**Impact Explanation:**

The measure would apply to repayments of property tax that are made after July 1, 2016. The change would reduce the amount repaid in 2016 and later years. The projected account balance for the program is below, with the changes of HB 4148 incorporated.

Amounts are in \$Millions.

	2014	2015	2016	2017	2018
Payments	16.6	16.4	16.4	16.4	16.4
Repayments	18.5	17.9	17.1	17.3	17.4
Administrative Costs	0.9	0.9	1.0	1.0	1.0
November 16th Balance	8.0	8.5	8.3	8.2	8.1
<<Shift to 6% simple interest from 6% compound, Lost repayments			-0.4	-0.5	-0.6
<< Net Balance with Interest Change (Nov. 16 <sup>th</sup> )	8.0	8.5	7.9	7.4	6.7

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

State Capitol Building  
900 Court St NE, Room 143  
Salem, Oregon 97301-1347

Phone (503) 986-1266  
Fax (503) 986-1770  
<http://www.leg.state.or.us/comm/lro/>