

**PRELIMINARY STAFF MEASURE SUMMARY**

**House Committee On Revenue**

**Fiscal:** May have fiscal impact, but no statement yet issued

**Revenue:** May have revenue impact, but no statement yet issued

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**Action Date:**

**Action:**

**Meeting Dates:**

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**WHAT THE MEASURE DOES:**

Makes the personal exemption credit refundable for individuals with federal taxable income less than a certain amount.

Reduces itemized deductions by a given percentage if income exceeds a certain amount.

**ISSUES DISCUSSED:**

**EFFECT OF COMMITTEE AMENDMENT:**

No amendment.

**BACKGROUND:**

Currently, personal exemption credits are available to reduce the taxes owed to zero. However, if taxes are already at zero, it cannot cause a refund to be made. This measure would allow for a refund if certain taxpayers tax owed drops below zero due to the personal exemption credit. Taxpayers may also choose from their itemized deductions or from a standard deduction when reducing the income that is subject to Oregon tax. The measure would reduce the itemized deductions by a certain percentage for individuals with income over a threshold.