

**PRELIMINARY STAFF MEASURE SUMMARY**

**Senate Committee On Finance and Revenue**

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

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

---

**Action Date:**

**Action:**

**Meeting Dates:** 02/11, 04/09, 04/21

**Prepared By:** Paul Warner, Legislative Revenue Officer

---

**WHAT THE MEASURE DOES:**

Directs Department of Revenue to retain un-receipted income tax revenue from capital gains income. Defines method of calculating excess capital gains revenue as the deference between the average revenue over the most recent two tax years compared to average revenue in the two previous years. If the most recent revenue exceeds the previous period, the excess is deposited in the Education Stability Fund. Directs Department of Administrative Services to estimate excess capital gains revenue.

**ISSUES DISCUSSED:**

**EFFECT OF COMMITTEE AMENDMENT:**

Replaces Bill

**BACKGROUND:**

Oregon currently has two state reserve funds: the Education Stability Fund and the Oregon Rainy Day Fund. The Education Stability Fund is in the constitution while the Oregon Rainy Day Fund is statutory. Income from capital gains has been identified as the most cyclically sensitive component of taxable personal income.