

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: 03/26, 04/09, 04/29, 05/13

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WHAT THE MEASURE DOES:

Establishes framework for commercial activities tax in Oregon. Structure is based on commercial activities tax established in Ohio in 2006. Leaves tax rate blank. Eliminates current Oregon corporate income and excise tax. Modifies personal income tax rates, changes standard deduction amounts and changes earned income tax credit percentage of federal amount by unspecified amounts.

ISSUES DISCUSSED:

- Instability of current tax system.
- Experience in Ohio.
- Impact of changes on Oregon businesses.

EFFECT OF COMMITTEE AMENDMENT:

-1 replaces bill.

BACKGROUND:

The most recent formal revenue reform study was conducted by the Task Force on Comprehensive Revenue Restructuring. The task force issued a report to the 2009 Legislature.