

**REVENUE IMPACT OF
PROPOSED LEGISLATION
Seventy-Eighth Oregon Legislative
Assembly
2015 Regular Session
Legislative Revenue Office**

**Bill Number: SB 39
Revenue Area: Income Taxes
Economist: Chris Allanach
Date: 3/10/2015**

Only Impacts on Original or Engrossed Versions are Considered Official

Measure Description: Extends the sunset date for the long-term care insurance premiums tax credit from January 1, 2016 to January 1, 2022.

Revenue Impact (in \$Millions):

	Fiscal Year		Biennium		
	2015-16	2016-17	2015-17	2017-19	2019-21
General Fund	\$0	-\$10.6	-\$10.6	-\$22.5	-\$23.8

Impact Explanation: The preliminary revenue impact provided here is based on historical use as reflected on personal and corporate income tax returns. The amount used to reduce tax liability grew at an average annual rate of 6.6 percent from \$5.9 million in 2005 to \$9.2 million in 2012. The estimates provided here are based on the assumption that the annual growth rate slows to four percent. Few corporations claim the tax credit. The number of personal income tax claimants during this time period grew from 26,700 to 37,060. Further analysis will be done when the bill is in the Joint Committee on Tax Credits.

Creates, Extends, or Expands Tax Expenditure: Yes No

The policy purpose of this measure is

Further Analysis Required