

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

<b>Bill Number:</b>	<b>HB 2015 - A</b>
<b>Revenue Area:</b>	<b>Income Taxes</b>
<b>Economist:</b>	<b>Chris Allanach</b>
<b>Date:</b>	<b>3/20/2015</b>

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

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**The revenue impact of this measure is indeterminate for the following reasons:**

There is a connection between the subsidy payments program for employment-related child care and the potential use of personal income tax credits for child care payments made directly by taxpayers. Participants in the subsidy program may be required to make copayments and incur other out-of-pocket expenses related to the child care. These participant costs may enable taxpayers to claim child care tax credits. Depending on the nature of the relationship between the subsidy payments and the use of tax credits, changes to the subsidy program could either increase or decrease the use of such tax credits. For example, an expanded use of subsidy payments may result in smaller copayments made by taxpayers. In turn, these lower copayments could reduce the use of income tax credits. On the other hand, an expanded use of subsidy payments may enable some individuals to stay in the workforce, thereby continuing to incur some level of child care costs and, subsequently, to use child care tax credits. Taken together, these two potentially offsetting impacts result in an indeterminate revenue impact for this bill.