

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

**Bill Number: SB 48
Revenue Area: Income Taxes
Economist: Chris Allanach
Date: 4/8/2015**

Only Impacts on Original or Engrossed Versions are Considered Official

Measure Description: Moves the sunset date for the employer provided dependent care 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	-\$0.3	-\$0.3	-\$0.9	-\$1.4

Impact Explanation: The preliminary revenue impact provided here is based on the historical use of the tax credit as reported on tax returns. Between 2009 and 2012 roughly 75 personal income tax filers and a dozen corporate tax filers claimed this tax credit. Together, an average of \$0.5 million in tax credits was used to reduce tax liability each year. Use of the tax credit by corporations did increase in 2012 but it's not clear if growth will continue in subsequent tax years. The estimates provided here are based on the assumption that average growth rates will continue through tax year 2021. 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