

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

**Bill Number: HB 2122 - A
Revenue Area: Income Taxes
Economist: Chris Allanach
Date: 4/20/2015**

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

Measure Description: Moves the sunset date for the child with a disability tax credit from January 1, 2016 to January 1, 2022 and limits the tax credit to taxpayers whose adjusted gross income is no more \$100,000.

Revenue Impact (in \$Millions):

	Fiscal Year		Biennium		
	2015-16	2016-17	2015-17	2017-19	2019-21
General Fund	\$0	-\$5.5	-\$5.5	-\$12.4	-\$13.6

Impact Explanation: The preliminary revenue impact provided here is based on the historical use of the tax credit as reported on tax returns. Between 2005 and 2012, the number of claimants grew at an average rate of 7.6 percent. The total amount of tax credits used to reduce tax liability each year grew from \$2.3 million in 2005 to \$4.5 million in 2012. Based on a distributional analysis of 2012 tax returns, roughly 15 percent of the revenue loss from this tax credit is attributable to taxpayers whose adjusted gross income exceeds \$100,000. The estimates provided here assume that historical growth and distributional patterns 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