

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

Bill Number: SB 777 - B
Revenue Area: Income Tax
Economist: Christine Broniak
Date: 4-21-2015

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

Measure Description:

Directs Oregon 529 Savings Board to establish by rule qualified state ABLE Act program as described in federal Stephen Beck, Jr., Achieving a Better Life Experience Act of 2014.

Revenue Impact (in \$Millions):

	2015-17	2017-19	2019-21
General Fund	-\$0.72	-\$0.76	-\$0.81

Impact Explanation:

The measure would enable contributions to be made to an ABLE account if an individual with a severe disability is listed as a beneficiary. The contributions to and the distributions from the account would be exempt from income tax. Using data from the Department of Education, it is estimated that 2.3 percent of children ages 0 to 21 have a qualifying disability, and that participation rates in the program would be higher than participation rates for the Oregon 529 College Savings Plan. Disabled individuals who receive assistance often have to comply with prohibitions on saving more than a limited amount of money. This would be an avenue for savings that would not disqualify an individual for benefits.

Creates, Extends, or Expands Tax Expenditure: Yes No

The purpose of this tax expenditure is to help people with disabilities to save money for necessary expenses to meet the challenges of life.