

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

Bill Number:	SB 454 - B
Revenue Area:	Income Taxes
Economist:	Chris Allanach
Date:	6/4/2015

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

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

This bill does not change any tax policy currently in statute. The major change contained in the bill affects labor policy. While the required provision of paid sick leave does not have any direct revenue impact, it could have indirect effects on revenue. However, these effects are complex and potentially offsetting. Theoretically, in response to the mandate of a benefit, businesses may reduce their demand for labor at the same time that the supply of labor may increase, given current wage rates. These responses work in a potentially offsetting manner for aggregate wage income. Consequently, the potential impact on income tax revenue is considered indeterminate.