

*DRAFT*

**REVENUE IMPACT OF  
PROPOSED LEGISLATION**  
78th Oregon Legislative Assembly  
2016 Regular Session  
Legislative Revenue Office

Bill Number: HB 4072  
Revenue Area: Income Taxes  
Economist: Chris Allanach  
Date: 2/19/2016

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

**Measure Description:**

Reinstates the tax credit for University Venture Development Fund contributions by moving the sunset date from January 1, 2016 to January 1, 2022. Changes the structure of the tax credit from a maximum \$50,000 taken over three years to \$600,000 with a three year carryforward. Maintains the existing program cap of \$8.4M but reorganizes how it is allotted across the universities.

**Revenue Impact (in \$Millions):**

	Fiscal Year		Biennium		
	2015-16	2016-17	2015-17	2017-19	2019-21
General Fund	\$0	-\$0.5	-\$0.5	-\$1.7	-\$1.8

**Impact Explanation:**

By maintaining the prior program cap of \$8.4 million this bill would allow the issuance of up to \$4 million in tax credits by tax year 2021. (Roughly \$4.4 million has been issued to date.) This impact assumes they will be issued in a roughly uniform manner over that time period, with the exception that the impact of the existing sunset date may have on current donations. In tax year 2013, roughly 85 taxpayers claimed \$550,000 in tax credits. Of that total 97% were used to reduce tax liability.

**Creates, Extends, or Expands Tax Expenditure:** Yes  No

The policy purpose of this measure is provided in Section 5 of the bill and in ORS 350.550(1): To facilitate the commercialization of university research and development.