

**REVENUE IMPACT OF
PROPOSED LEGISLATION**
79th Oregon Legislative Assembly
2017 Regular Session
Legislative Revenue Office

Bill Number:	SB 174
Revenue Area:	Income Taxes
Economist:	Chris Allanach
Date:	2/20/2017

Only Impacts on Original or Engrossed Versions are Considered Official

Measure Description:

Moves the sunset date for the qualified research activities tax credit from January 1, 2018 to January 1, 2024.

Revenue Impact (in \$Millions):

	Fiscal Year		Biennium		
	2017-18	2018-19	2017-19	2019-21	2021-23
General Fund	\$0	-\$5	-\$5	-\$15	-\$20

Impact Explanation:

The preliminary revenue impact is based on a historical analysis of tax returns, focusing on tax years 2000 through 2014. From 2010 to 2014, the number of claimants increased from roughly 250 to 350 corporations. During that time, the amount claimed each year averaged \$80 million while the amount used to satisfy tax liability averaged \$12 million.

Creates, Extends, or Expands Tax Expenditure: Yes No

The policy purpose of this measure may be to increase the amount of research activity that occurs in Oregon.

Further Analysis Required