

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

Bill Number: SB 176
Revenue Area: Income Taxes
Economist: Chris Allanach
Date: 3/7/2017

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

Measure Description:

Moves the sunset date for the reservation enterprise zone tax credit from January 1, 2018 to January 1, 2024.

Revenue Impact:

A revenue loss of less than \$50,000 per year.

Impact Explanation:

The estimated revenue impact is based on an historical analysis of tax returns, tax years 2005 through 2014. During this time period, an average of roughly 15 taxpayers claimed \$15,000 in tax credits each year and were able to reduce their Oregon tax liability by about half that amount.

Creates, Extends, or Expands Tax Expenditure: Yes No

The policy purpose of this measure, as stated in ORS 285C.303, is "...to remove the tax disincentives that currently inhibit private business and industry from locating and operating enterprises within the boundaries of the rural Indian reservations of this state."

Further Analysis Required