

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

Bill Number:	HB 2676 - 3
Revenue Area:	Income Taxes
Economist:	Chris Allanach
Date:	3/31/2017

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

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

The bill temporarily extends a policy that changes how income for interstate broadcasters is apportioned to Oregon. The policy was first put into place for tax year 2014. Preliminary data for that tax year was analyzed and the results were inconclusive, as described in a Legislative Revenue Office report. Information for some taxpayers suggested that the policy increased revenue by roughly one million dollars per year. However, two legal cases pending in the Oregon court system could affect the interpretation of current law and, therefore, the basis for any revenue impact. The report cited three areas for uncertainty regarding the policy impact: 1) lack of clarity regarding which companies are interstate broadcasters, 2) which business activities would cause an interstate broadcaster to have nexus in Oregon, and 3) which portion of company's income is subject to apportionment under the interstate broadcaster provisions. Given the current level of uncertainty, the revenue impact is deemed to be indeterminate.