

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

**Bill Number: HB 2243  
Revenue Area: Income Taxes  
Economist: Chris Allanach  
Date: 2/21/2017**

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

**Measure Description:**

Moves the sunset date for the electronic commerce zone tax credit from January 1, 2018 to January 1, 2024 and increases the maximum number of zones from 15 to 21. The increase is evenly distributed over three years. Requires certain information regarding the tax credit to be reported when filing for an exemption and allows public entities to publicly report such information. Provides taxpayers with the option of receiving a refundable tax credit for a portion of their allowed credit instead of claiming the full amount of the tax credit over time with carryforwards.

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

There will be a revenue loss due to three factors: 1) the six-year extension of the credit; 2) the expansion in the number of zones; and 3) the change in the structure of the tax credit to allow partial refundability. Further analysis will be performed when the bill is in the House Committee on Revenue.

**Impact Explanation:**

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

The policy purpose of this measure may be to increase the amount of capital investments in internet based business in certain parts of Oregon.

**Further Analysis Required**