

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

Bill Number:	HB 3041
Revenue Area:	Income Taxes
Economist:	Chris Allanach
Date:	4/12/2017

Only Impacts on Original or Engrossed Versions are Considered Official

Measure Description:

Increases the crop donation tax credit from 15 percent of the wholesale price to 25 percent of the wholesale price. Applies to tax years 2017 through 2019.

Revenue Impact (in \$Millions):

	Fiscal Year		Biennium		
	2017-18	2018-19	2017-19	2019-21	2021-23
General Fund	-\$0.08	-\$0.09	-\$0.170	-\$0.154	-\$0.084

Impact Explanation:

The preliminary estimate is based on an analysis of historical tax return data. Preliminary data for tax year 2015 indicate just under \$250,000 in tax credits were claimed and about half of that amount was used to reduce tax liability. The bill does not change the sunset date of January 1, 2020 so the higher credit percentage applies to tax years 2017 through 2019. The declining revenue loss reflects the impact of the sunset date and carryforwards. Further analysis will be done when the bill is in the House Committee on Revenue.

Creates, Extends, or Expands Tax Expenditure: Yes No

According to legislative documentation from 2014, when the tax credit was last modified, the policy purpose is "...to increase the amount of food donated by food producers to charities that serve individuals and families experiencing hunger by offsetting expenses incurred during the collection, transportation, and storage of donated food."

Depending on the discussion and debate held by the House Committee on Agriculture and Natural Resources, the policy purpose may be modified.