

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

| | |
|----------------------|-----------------------|
| Bill Number: | SB 177 - A |
| Revenue Area: | Income Taxes |
| Economist: | Chris Allanach |
| Date: | 4/19/2017 |

Only Impacts on Original or Engrossed Versions are Considered Official

Measure Description:

Moves the sunset date for the residential energy tax credit from January 1, 2018 to January 1, 2024. Adds certain administrative and reporting requirements for the Department of Energy.

Revenue Impact (in \$Millions):

| | Fiscal Year | | Biennium | | |
|---------------------|-------------|----------------|----------------|----------------|----------------|
| | 2017-18 | 2018-19 | 2017-19 | 2019-21 | 2021-23 |
| General Fund | \$0 | -\$14.0 | -\$14.0 | -\$43.1 | -\$63.1 |

Impact Explanation:

This preliminary impact is based on an analysis of historical certification and tax return data for years 2005 through 2014. In tax year 2014, nearly 16,800 taxpayers claimed a total of \$15.8 million in tax credits and used \$13.5 million to reduce tax liability. Further analysis will be done when the bill is in the Joint Committee on Tax Credits.

Creates, Extends, or Expands Tax Expenditure: Yes No

According to 2015 legislative testimony, the policy purpose of this measure is "...to promote energy savings or energy displacement and market transformation..." Depending on work done by the House Committee on Energy and Environment, this purpose may be refined.

Further Analysis Required