



OREGON'S 2% SURPLUS KICKER

Research Report #2-07

LEGISLATIVE REVENUE OFFICE

<http://www.leg.state.or.us/comm/lro/home.htm>

**From the Desk of
Senator Brian Boquist**

2017-19

**CHANGE FROM CLOSE OF SESSION
 (\$ Million)**

General Fund Resources	Close of Session		
Beginning Balance			
Transfer to Rainy Day Fund			
Personal			28.8
Corporate			10.2
Other			-61.2
Gross			
		-32.9	0.0
		-34.0	8.5
	0.5	19,423.8	-52.7
	1,331.9	1,442.3	110.3
Resources***	-21.5	-21.5	0.0
Resources	21,387.6	21,643.0	255.4

"If the numbers that you cite hold, yes, I believe you are correct and the personal income tax kicker would be triggered. The fact that a portion of the revenue that ultimately puts the amount over the 2 percent (\$369 million) is received as a result of legislative action doesn't prevent the kicker from being triggered."

Resources including dedicated funds.
 ***Actions equal expenses associated with cash flow management, exclusive of internal borrowing.

CHANGE SINCE CLOSE OF SESSION

(\$ million from the 2017 COS estimate.
 the 2017 COS estimate.
 2017 COS estimate.

For the kicker calculations, per the LRO forecast report from the other week, we are currently about \$37 million above the close of session for the Personal kicker, which means we're \$332 below the kicker threshold. So SB 1528 would take use close but not quite over that threshold. It would effectively eliminate any wiggle room in terms of forecast accuracy and the kicker.

Revenue Source	
Personal & Other	18,475.0
Corporation*	1,059.0

* As per the AG, the corporate kicker calculation excludes the minimum tax paid by...

KICKER REFUNDS IMPLIED BY FORECAST

- PERSONAL:** There is no personal kicker projected for 2019-21.
- CORPORATE:** No corporate tax revenue is projected to be dedicated to K-12 education spending in 2019-21.