

**REVENUE IMPACT OF  
PROPOSED LEGISLATION**  
80th Oregon Legislative Assembly  
2019 Regular Session  
Legislative Revenue Office

<b>Bill Number:</b>	<b>HB 2133</b>
<b>Revenue Area:</b>	<b>Personal Income Tax</b>
<b>Economist:</b>	<b>Kyle Easton</b>
<b>Date:</b>	<b>2/28/2019</b>

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

**Measure Description:**

Extends to January 1, 2026, sunset of personal income tax credit available to individuals aged 62 years or older that receive certain taxable retirement income.

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

	Fiscal Year		Biennium		
	2019-20	2020-21	2019-21	2021-23	2023-25
<b>General Fund</b>	0	-0.7	-0.7	-1.3	-1.2

**Impact Explanation:**

Existing law sunsets the certain retirement income tax credit on 1/1/2020. Extending the sunset of the credit for six years is estimated to reduce personal income tax revenues beginning in fiscal year 2020-21. The estimated reduction in revenue is expected to decrease in later years, reflective of the credit income qualification parameters not being indexed to inflation. The non-indexed parameters are expected to cause fewer taxpayers to qualify for the credit, or qualify to a lesser extent, in future tax years. This estimate was made based on an analysis of historic use of the credit as reported on income tax returns.

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

The policy purpose of this measure is to provide tax relief to low-income individuals with pension income.