

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

Bill Number:	SB 200
Revenue Area:	Personal Income Tax
Economist:	Kyle Easton
Date:	3/25/2019

Only Impacts on Original or Engrossed Versions are Considered Official

Measure Description:

Extends to 1/1/2026, sunset of personal income tax credit for political contributions. Personal income tax credit is equal to \$100 for taxpayers filing a joint income tax return, or \$50 for all other filer statuses.

Revenue Impact (in \$Millions):

	Fiscal Year		Biennium		
	2019-20	2020-21	2019-21	2021-23	2023-25
General Fund	0	-6.7	-6.7	-12.7	-13.5

Impact Explanation:

Extending the current law sunset of the credit for political contributions will result in reduced revenue available to the general fund. The loss in the 2019-21 biennium is estimated to be \$6.7 million. The estimate for 2019-21 reflects the current law sunset that occurs midway through the 2019-21 biennium.

Historical use of this tax credit tends to peak in presidential and congressional election years. In tax year 2016, about 96,000 taxpayers claimed the credit with the average credit amount being \$60.

Creates, Extends, or Expands Tax Expenditure: Yes No

The policy purpose of this measure is to encourage large numbers of people to contribute small amounts of money to candidates and political parties, thereby encouraging participation in the political process.