

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

Bill Number:	HB 2127
Revenue Area:	Income Taxes
Economist:	Kyle Easton
Date:	3/4/2019

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

Measure Description:

Extends sunset of Oregon subtraction from taxable income, amount of taxable gain of individual or corporation that sells a manufactured dwelling park. Sunset is extended from 1/1/2020 to 1/1/2026. To qualify for subtraction, sale of manufactured dwelling park must be made to a corporate entity formed by tenants of the park, or a nonprofit corporation or housing authority as described in ORS 90.844.

Extends sunset of exemption from personal or corporate income taxes, available to out-of-state emergency service providers operating in Oregon solely for the purposes of performing disaster or emergency related work on critical infrastructure. Sunset is extended from 1/1/2020 to 1/1/2026.

Revenue Impact:

Manufactured Dwelling Park Capital Gain: Minimal

Nonresident Income from Disaster or Emergency Related Work: Minimal

Impact Explanation:

Manufactured Dwelling Park Capital Gain

Use of the subtraction related to capital gains resulting from the sale of a manufactured dwelling park has varied in past years. Generally, the annual loss in revenue is less than \$100,000.

Nonresident Income from Disaster or Emergency Related Work

The exemption for nonresident income from disaster or emergency related work has been minimally used in past years. If Oregon suffers a catastrophic disaster, use of the exemption would increase.

Creates, Extends, or Expands Tax Expenditure: Yes No

The policy purpose of this measure is:

Manufactured dwelling park capital gain: To encourage sales of manufactured dwelling parks to a corporate entity formed by the tenants of the park, or by a nonprofit corporation or housing authority.

Nonresident income from disaster or emergency related work: See legislative findings contained in ORS 401.680