

**REVENUE IMPACT OF
PROPOSED LEGISLATION**
81st Oregon Legislative Assembly
2021 Regular Session
Legislative Revenue Office

Bill Number: SB 144
Revenue Area: Personal Income Tax
Economist: Kyle Easton
Date: 3/31/2021

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

Measure Description:

Extends sunset, from January 1, 2022 to January 1, 2028, of tax credit available to taxpayers with a severe disability.

Revenue Impact (in \$Millions):

	Fiscal Year		Biennium		
	2021-22	2022-23	2021-23	2023-25	2025-27
General Fund		-\$4.8	-\$4.8	-\$9.7	-\$9.7

Impact Explanation:

Taxpayers with adjusted gross income (AGI) up to \$100,000 are allowed an additional personal exemption credit for each individual taxpayer on the tax return that has a severe disability (up to two for qualifying joint filers). The personal exemption credit is indexed to inflation and will be \$214 in 2021. In 2018, about 30,000 Oregon resident taxpayers claimed the severe disability credit with the average credit benefit being about \$130. The revenue impact reflects indexed value of the credit along with expectation of future use of the credit by taxpayers.

This measure has a subsequent referral to the Joint Committee on Tax Expenditures.

Creates, Extends, or Expands Tax Expenditure: Yes No

The policy purpose of this credit is to provide financial relief and offset costs associated with a taxpayer's/spouse's disability.

Further Analysis Required