

STATE OF OREGON  
**LEGISLATIVE REVENUE OFFICE**  
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## LRO FORECAST SUMMARY

**March 2024**

### NEW FACTS SINCE THE LAST FORECAST

	4th Qtr 2023 Forecast	4th Qtr 2023 Reported	Difference
Employment	1,999,269	1,994,213	-5,056
Personal Income (\$ billion)	284.6	281.6	-3.0
Personal Income Tax (\$ million)			
Withholding	2,699.6	2,773.4	73.8
Other Payments less Refunds	201.8	210.2	8.4
Total	2,901.4	2,983.6	82.2
Corporate Income Tax	245.2	364.1	118.8

#### NEW FACTS

- Fourth Quarter personal income tax collections came in \$82.2 million (2.8%) above the December 2023 forecast.
- Fourth Quarter corporate income tax collections came in \$118.8 (48.5%) million above the December 2023 forecast.
- Fourth Quarter Oregon personal income was \$3.0 billion (1.1%) below the December 2023 forecast.
- Fourth Quarter Oregon employment was 5,056 jobs (0.3%) below the December 2023 forecast.

**2023-25**

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

General Fund Resources	Close of Session	March 2024 Forecast	Difference
Beginning Balance	7,493.5	8,082.5	589.0
Transfer to Rainy Day Fund	-308.4	-244.9	63.5
Personal	21,019.7	21,180.1	160.4
Corporate	2,228.9	2,762.1	533.1
Other	2,011.3	1,953.1	-58.2
Gross GF Revenue	25,259.9	25,895.2	635.3
Shared Services Funds	-37.0	-104.0	-67.0
Rainy Day Fund	-91.6	-98.9	-7.3
PERS UAL Fund	0.0	0.0	0.0
Net GF Revenue	25,131.3	25,692.3	561.0
Lottery Resources*	1,919.4	1,935.6	16.2
Anticipated Administrative Actions**	0.0	0.0	0.0
Net GF and Lottery Resources	34,235.8	35,465.5	1,229.7

\* All lottery resources including dedicated funds.

\*\* Administrative Actions equal expenses associated with cash flow management, exclusive of internal borrowing.

**CHANGE SINCE CLOSE OF SESSION**

- Personal income tax revenue is up \$160.4 (0.8%) million from the 2023 COS estimate.
- Corporate tax revenue is up \$533.1 million (23.9%) from the 2023 COS estimate.
- General Fund gross revenue is up \$635.3 million (2.5%) from the 2023 COS estimate.
- Net GF and Lottery resources are up \$1,229.7 million (3.6%) from the 2023 COS estimate.

**EFFECT ON 2% KICKER  
(\$ Million)**

Revenue Source	Close of Session	2% Kicker Threshold	March 2024 Forecast	Amount +/- Kicker Threshold
Personal & Other	23,031.0	23,491.6	23,133.1	-358.5
Corporation***	2,204.8	2,248.9	2,737.9	489.0

\*\*\* As per the AG, the corporate kicker calculation excludes the minimum tax paid by S-corporations because it is a flat tax.

**KICKER REFUNDS IMPLIED BY FORECAST**

**PERSONAL:** No personal kicker is projected for 2025-27.

**CORPORATE:** Corporate tax revenue of \$533.1 million is projected to be dedicated to K-12 education spending in 2025-27.

<b>2023-25</b>
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**CHANGE FROM PRIOR FORECAST**  
**(\$ Million)**

Combined Revenue	December 2023 Forecast	March 2024 Forecast	Difference
Beginning Balance	7,636.2	8,082.5	446.3
Transfer to Rainy Day Fund	-271.3	-244.9	26.4
Personal	21,164.6	21,180.1	15.5
Corporate	2,647.2	2,762.1	114.9
Other	2,007.3	1,953.1	-54.3
Gross GF Revenue	25,819.1	25,895.2	76.1
Shared Services Funds	-104.0	-104.0	0.0
Rainy Day Fund	-108.6	-98.9	9.7
PERS UAL Fund	0.0	0.0	0.0
Net GF Revenue	25,606.5	25,692.3	85.8
Administrative Actions*	0.0	0.0	0.0
Net General Fund Resources	32,971.4	33,529.9	558.5
Lottery Resources**	1,937.0	1,935.6	-1.4
Net GF and Lottery Resources	34,908.4	35,465.5	557.1
Select Other Taxes			
Corporate Activity***	2,771.2	2,814.6	43.4
Marijuana***	318.1	311.1	-7.0

\* Administrative Actions equal expenses associated with cash flow management, exclusive of internal borrowing.

\*\* All receipts including dedicated funds and carryover of 2021-23 ending balance.

\*\*\* All receipts including dedicated funds

<b>REVENUE CHANGES</b>
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- Projected 2023-25 Net General Fund Resources are up \$558.5 million (1.7%) from the December 2023 forecast.
- Projected 2023-25 Lottery resources are down \$1.4 million (0.1%) from the December 2023 forecast.
- Projected combined net General Fund and Lottery Resources are up \$557.1 million (1.6%) from the December 2023 forecast.

**2023-25**

**EFFECT ON ENDING BALANCE**

Current vs. Close of Session  
(\$ Million)

General Fund	Close of Session	March 2024 Forecast	Difference
Beginning Balance	7,493.5	8,082.5	589.0
Transfer to Rainy Day Fund	-308.4	-244.9	63.5
Revenue	25,131.3	25,692.3	561.0
Administrative Actions	0.0	0.0	0.0
<b>Total Resources</b>	<b>32,316.4</b>	<b>33,529.9</b>	<b>1,213.5</b>
<b>Expenditures</b>	<b>31,873.6</b>	<b>31,873.6</b>	<b>0.0</b>
Ending Balance	442.8	1,656.3	1,213.5
Rainy Day Fund Transfer	318.7	318.7	0.0
Remaining Balance	124.1	1,337.6	1,213.5

**ENDING BALANCE**

- The projected ending balance is up \$1,213.5 million from the 2023 Close-of-Session estimate.
- The projected ending balance is up \$558.5 million from the December 2023 forecast.
- The Rainy Day Fund is projected to receive \$318.7 million following the 2023-25 biennium.

Current vs. Prior Forecast  
(\$ Million)

General Fund	December 2023 Forecast	March 2024 Forecast	Difference
Beginning Balance	7,636.2	8,082.5	446.3
Transfer to Rainy Day Fund	-271.3	-244.9	26.4
Revenue	25,606.5	25,692.3	85.8
Administrative Actions	0.0	0.0	0.0
<b>Total Resources</b>	<b>32,971.4</b>	<b>33,529.9</b>	<b>558.5</b>
<b>Expenditures</b>	<b>31,873.6</b>	<b>31,873.6</b>	<b>0.0</b>
Ending Balance	1,097.8	1,656.3	558.5
Rainy Day Fund Transfer	318.7	318.7	0.0
Remaining Balance	779.1	1,337.6	558.5

<b>2023-25</b>
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<b>Reserve Fund Position</b>				
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	Education Stability Fund *	Rainy Day Fund	General Fund	Reserves Available
	(\$ Millions)			
Beginning Balance	\$710.8	\$1,353.5		\$2,064.2
Deposits	\$298.7	\$363.6		\$662.3
Interest	\$81.0	\$142.4		\$223.4
Withdrawals	\$83.4	\$0.0		\$83.4
Projected Ending Balance	\$1,007.0	\$1,859.5	\$1,656.3	\$4,522.8

\*Excludes funds in the Oregon Growth and the Oregon Resource and Technology Development subaccounts.

<b>2025-27</b>
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**CHANGE FROM PRIOR FORECAST**  
(\$ Million)

<b>Combined Revenue</b>	December 2023 Forecast	March 2024 Forecast	Difference
Beginning Balance	1,097.8	1,656.3	558.5
Transfer to Rainy Day Fund	-318.7	-318.7	0.0
Personal	29,929.3	29,818.4	-110.9
Corporate	2,860.8	3,072.1	211.3
Other	1,762.9	1,727.0	-35.9
Gross GF Revenue	34,553.0	34,617.4	64.4
Shared Services Funds	-106.3	-106.3	0.0
Rainy Day Fund	-117.4	-110.0	7.4
PERS UAL Fund	0.0	0.0	0.0
Net GF Revenue	34,329.4	34,401.1	71.8
Net General Fund Resources	35,108.5	35,738.7	630.2
Lottery Resources**	1,963.7	1,971.9	8.2
Net GF and Lottery Resources	37,072.2	37,710.6	638.4
Select Other Taxes			
Corporate Activity**	3,108.7	3,211.1	102.5
Marijuana**	356.0	349.7	-6.3

\*\* All receipts including dedicated funds.

<b>2027-29</b>
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**CHANGE FROM PRIOR FORECAST**  
(\$ Million)

Combined Revenue	December 2023 Forecast	March 2024 Forecast	Difference
Personal	34,231.7	34,057.8	-173.9
Corporate	3,115.5	3,286.5	171.0
Other	1,843.3	1,823.9	-19.4
Gross GF Revenue	39,190.5	39,168.2	-22.3
Shared Services Funds	-113.6	-113.6	0.0
Rainy Day Fund	-127.8	-117.7	10.1
PERS UAL Fund	0.0	0.0	0.0
Net GF Revenue	38,949.1	38,936.9	-12.2
Lottery Resources*	2,112.2	2,147.3	35.1
Net GF and Lottery Resources	41,061.3	41,084.2	22.9
Select Other Taxes			
Corporate Activity*	3,477.5	3,592.9	115.4
Marijuana*	410.9	404.5	-6.4

\* All receipts including dedicated funds.

<b>2029-31</b>
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**CHANGE FROM PRIOR FORECAST**  
(\$ Million)

Combined Revenue	December 2023 Forecast	March 2024 Forecast	Difference
Personal	39,066.9	38,513.1	-553.8
Corporate	3,340.7	3,477.0	136.3
Other	1,961.8	1,926.6	-35.3
Gross GF Revenue	44,369.5	43,916.7	-452.8
Shared Services Funds	-84.0	-84.0	0.0
Rainy Day Fund	-137.0	-124.5	12.5
PERS UAL Fund	0.0	0.0	0.0
Net GF Revenue	44,148.5	43,708.2	-440.3
Lottery Resources*	2,248.5	2,284.2	35.7
Net GF and Lottery Resources	46,397.0	45,992.4	-404.6
Select Other Taxes			
Corporate Activity*	3,878.5	4,007.3	128.8
Marijuana*	467.8	460.5	-7.3

\* All receipts including dedicated funds.

<b>2031-33</b>
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**CHANGE FROM PRIOR FORECAST**  
(\$ Million)

Combined Revenue	December 2023 Forecast	March 2024 Forecast	Difference
Personal	44,103.2	43,827.3	-275.9
Corporate	3,663.2	3,779.8	116.6
Other	2,097.9	2,018.6	-79.3
Gross GF Revenue	49,864.2	49,625.7	-238.5
Shared Services Funds	-55.0	-55.0	0.0
Rainy Day Fund	0.0	0.0	0.0
PERS UAL Fund	0.0	0.0	0.0
Net GF Revenue	49,809.2	49,570.6	-238.5
Lottery Resources*	2,394.9	2,441.0	46.1
Net GF and Lottery Resources	52,204.1	52,011.7	-192.5
Select Other Taxes			
Corporate Activity*	4,322.4	4,465.9	143.5
Marijuana*	517.5	508.9	-8.7

\* All receipts including dedicated funds.

<b>Biennial Net General Fund Revenue Growth: 1993 - 2033</b>
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	Personal	Corporate	Other	Total
<b>1993-95 to 1995-97</b>	17.1%	18.8%	28.4%	18.3%
<b>1995-97 to 1997-99</b>	13.0%	-13.9%	-17.6%	7.7%
<b>1997-99 to 1999-01</b>	22.6%	28.2%	2.8%	21.5%
<b>1999-01 to 2001-03</b>	-11.9%	-44.4%	97.9%	-7.5%
<b>2001-03 to 2003-05</b>	16.8%	52.5%	-35.4%	11.4%
<b>2003-05 to 2005-07</b>	22.8%	31.7%	6.4%	22.1%
<b>2005-07 to 2007-09</b>	-8.6%	-18.9%	10.2%	-8.0%
<b>2007-09 to 2009-11</b>	3.7%	20.9%	29.8%	6.8%
<b>2009-11 to 2011-13</b>	15.7%	6.8%	-4.1%	13.1%
<b>2011-13 to 2013-15</b>	14.8%	25.0%	-12.4%	13.2%
<b>2013-15 to 2015-17</b>	15.4%	8.1%	25.2%	15.5%
<b>2015-17 to 2017-19</b>	17.1%	39.4%	3.9%	17.6%
<b>2017-19 to 2019-21</b>	6.3%	13.6%	25.5%	8.0%
<b>2019-21 to 2021-23</b>	28.4%	60.0%	15.3%	30.0%
<b>2021-23 to 2023-25</b>	-17.8%	-12.1%	0.7%	-16.0%
<b>2023-25 to 2025-27</b>	41.0%	11.2%	-11.6%	33.9%
<b>2025-27 to 2027-29</b>	14.2%	7.0%	5.6%	13.2%
<b>2027-29 to 2029-31</b>	13.2%	5.8%	5.6%	12.3%
<b>2029-31 to 2031-33</b>	13.9%	12.7%	4.8%	13.4%