

STATE OF OREGON  
**LEGISLATIVE REVENUE OFFICE**  
PUBLIC SERVICE BUILDING (Temporary Location)  
255 CAPITOL ST NE | 5TH FLOOR  
SALEM, OREGON 97310  
PHONE (503) 986-1266

Chris Allanach, Legislative Revenue Officer

## LRO FORECAST SUMMARY

**December 2025**

### NEW FACTS SINCE THE LAST FORECAST

	3rd Qtr 2025 Forecast	3rd Qtr 2025 Reported	Difference
Employment	1,971,028	1,984,814	13,786
Personal Income (\$ billion)	315.5	318.0	2.5
Personal Income Tax (\$ million)			
Withholding	2,897.9	2,926.2	28.2
Other Payments less Refunds	595.8	606.2	10.4
Total	3,493.7	3,532.4	38.6
Corporate Income Tax (\$ million)	425.5	349.0	-76.5

#### NEW FACTS

- Third Quarter personal income tax collections came in \$38.6 million (1.1%) above the September 2025 forecast.
- Third Quarter corporate income tax collections came in \$76.5 million (-18.0%) below the September 2025 forecast.
- Third Quarter Oregon personal income was \$2.5 billion (0.8%) above the September 2025 forecast.
- Third Quarter Oregon employment was 13,786 jobs (0.7%) above the September 2025 forecast.

## 2025-27

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

General Fund Resources	Close of Session	December 2025 Forecast	Difference
Beginning Balance	2,243.1	2,018.7	-224.4
Rainy Day Fund Transfer	0.0	0.0	0.0
Personal	30,247.1	30,009.7	-237.4
Corporate	3,430.5	3,330.7	-99.8
Other	2,082.2	2,100.5	18.4
Gross GF Revenue	35,759.8	35,441.0	-318.8
Shared Services Funds	-67.0	-68.7	-1.6
Rainy Day Fund	-139.9	-131.0	8.9
PERS UAL Fund	0.0	0.0	0.0
Net GF Revenue	35,552.9	35,241.3	-311.6
Lottery Resources*	1,932.4	1,832.4	-100.0
Anticipated Administrative Actions**	0.0	0.0	0.0
Net GF and Lottery Resources	39,728.3	39,092.4	-635.9

\* 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 down \$237.4 (-0.8%) million from the 2025 COS estimate.
- Corporate tax revenue is down \$99.8 million (-2.9%) from the 2025 COS estimate.
- General Fund gross revenue is down \$318.8 million (-0.9%) from the 2025 COS estimate.
- Net GF and Lottery resources are down \$635.9 million (-1.6%) from the 2025 COS estimate.

### EFFECT ON 2% KICKER

(\$ Million)

Revenue Source	Close of Session	2% Kicker Threshold	December 2025 Forecast	Amount +/- Kicker Threshold
Personal & Other	32,329.3	32,975.8	32,110.3	-865.6
Corporation***	3,404.5	3,472.6	3,304.7	-167.9

\*\*\* 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:** There is no personal kicker projected for the 2027-29 biennium.
- CORPORATE:** There is no corporate kicker projected to be transferred to K-12 education spending in 2027-29.

<b>2025-27</b>
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## CHANGE FROM PRIOR FORECAST

(\$ Million)

Combined Revenue	September 2025 Forecast	December 2025 Forecast	Difference
Beginning Balance	2,018.7	2,018.7	0.0
Rainy Day Fund Transfer	0.0	0.0	0.0
Personal	29,961.7	30,009.7	48.0
Corporate	3,063.9	3,330.7	266.9
Other	2,106.4	2,100.5	-5.8
Gross GF Revenue	35,131.9	35,441.0	309.0
Shared Services Funds	-69.2	-68.7	0.5
Rainy Day Fund	-131.0	-131.0	0.0
PERS UAL Fund	0.0	0.0	0.0
Net GF Revenue	34,931.8	35,241.3	309.5
Administrative Actions*	0.0	0.0	0.0
Net General Fund Resources	36,950.5	37,260.0	309.5
Lottery Resources**	1,823.1	1,832.4	9.2
Net GF and Lottery Resources	38,773.6	39,092.4	318.8
Select Other Taxes			
Corporate Activity***	3,067.4	3,036.3	-31.1
Marijuana***	313.8	307.9	-5.9

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

\*\* All receipts including dedicated funds and carryover of 2023-25 ending balance.

\*\*\* All receipts including dedicated funds

<b>REVENUE CHANGES</b>
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- Projected 2025-27 Net General Fund Resources are up \$309.5 million (0.8%) from the September 2025 forecast.
- Projected 2025-27 Lottery resources are up \$9.2 million (0.5%) from the September 2025 forecast.
- Projected 2025-27 combined net General Fund and Lottery Resources are up \$318.8 million (0.8%) from the September 2025 forecast.

<b>2025-27</b>
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## EFFECT ON ENDING BALANCE

Current vs. Close of Session  
(\$ Million)

General Fund	Close of Session	December 2025 Forecast	Difference
Beginning Balance	2,243.1	2,018.7	-224.4
Rainy Day Fund Transfer	0.0	0.0	0.0
Net Revenue	35,552.9	35,241.3	-311.6
Administrative Actions	0.0	0.0	0.0
Total Resources	37,795.9	37,260.0	-535.9
Appropriations / Expenditures	37,323.1	37,323.1	0.0
Ending Balance	472.8	-63.1	-535.9
Rainy Day Fund Transfer	373.2	0.0	-373.2
Remaining Balance	99.6	-63.1	-162.7

<b>ENDING BALANCE</b>
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- The projected ending balance is down \$535.9 million from the 2025 Close-of-Session estimate.
- The projected ending balance is up \$309.5 million from the September 2025 forecast.

Current vs. Prior Forecast  
(\$ Million)

General Fund	September 2025 Forecast	December 2025 Forecast	Difference
Beginning Balance	2,018.7	2,018.7	0.0
Rainy Day Fund Transfer	0.0	0.0	0.0
Net Revenue	34,931.8	35,241.3	309.5
Administrative Actions	0.0	0.0	0.0
Total Resources	36,950.5	37,260.0	309.5
Appropriations / Expenditures	37,323.1	37,323.1	0.0
Ending Balance	-372.7	-63.1	309.5
Rainy Day Fund Transfer	0.0	0.0	0.0
Remaining Balance	-372.7	-63.1	309.5

## 2025-27

### Reserve Fund Position

	Education Stability Fund *	Rainy Day Fund	General Fund	Reserves Available
	(\$ Millions)			
Beginning Balance	1,012.1	1,911.2		2,923.4
Deposits	254.2	131.0		385.2
Interest	88.8	124.6		213.4
Withdrawals	92.6	0.0		92.6
Projected Ending Balance	1,262.5	2,166.8		3,429.3
Reserves as of Sept. 2025	1,040.9	1,933.3		2,974.1

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

## 2027-29

### CHANGE FROM PRIOR FORECAST (\$ Million)

Combined Revenue	September 2025 Forecast	December 2025 Forecast	Difference
Beginning Balance	0.0	0.0	0.0
Transfer to Rainy Day Fund	0.0	0.0	0.0
Personal	35,582.4	35,737.5	155.2
Corporate	3,566.6	3,591.8	25.2
Other	2,233.4	2,196.5	-36.9
Gross GF Revenue	41,382.4	41,525.9	143.5
Shared Services Funds	-69.2	-69.3	-0.1
Rainy Day Fund	-152.5	-152.5	0.0
PERS UAL Fund	0.0	0.0	0.0
Net GF Revenue	41,160.7	41,304.1	143.4
Net General Fund Resources	41,160.7	41,304.1	143.4
Lottery Resources*	1,823.3	1,842.6	19.3
Net GF and Lottery Resources	42,984.1	43,146.7	162.7
Select Other Taxes			
Corporate Activity*	3,468.5	3,433.2	-35.2
Marijuana*	347.7	345.5	-2.2

\* All receipts including dedicated funds.

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

<b>Combined Revenue</b>	<b>September 2025 Forecast</b>	<b>December 2025 Forecast</b>	<b>Difference</b>
Personal	40,192.9	40,241.6	48.7
Corporate	3,818.1	3,806.0	-12.1
Other	2,538.1	2,536.3	-1.8
Gross GF Revenue	46,549.1	46,583.9	34.7
Shared Services Funds	-37.5	-38.1	-0.5
Rainy Day Fund	-163.2	-163.2	0.0
PERS UAL Fund	0.0	0.0	0.0
Net GF Revenue	46,348.4	46,382.6	34.2
Lottery Resources*	2,002.3	1,993.8	-8.5
Net GF and Lottery Resources	48,350.7	48,376.4	25.7
Select Other Taxes			
Corporate Activity*	3,789.5	3,764.5	-25.0
Marijuana*	380.7	378.1	-2.6

\* All receipts including dedicated funds.

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

<b>Combined Revenue</b>	<b>September 2025 Forecast</b>	<b>December 2025 Forecast</b>	<b>Difference</b>
Personal	44,868.2	44,866.8	-1.4
Corporate	4,172.1	4,176.5	4.3
Other	2,922.5	2,979.4	56.9
Gross GF Revenue	51,962.9	52,022.7	59.8
Shared Services Funds	-11.0	-11.0	0.0
Rainy Day Fund	-178.3	-178.3	0.0
PERS UAL Fund	0.0	0.0	0.0
Net GF Revenue	51,773.6	51,833.3	59.8
Lottery Resources*	2,153.0	2,126.4	-26.7
Net GF and Lottery Resources	53,926.6	53,959.7	33.1
Select Other Taxes			
Corporate Activity*	4,145.9	4,125.5	-20.3
Marijuana*	414.9	412.1	-2.9

\* All receipts including dedicated funds.

<b>2033-35</b>
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**CHANGE FROM PRIOR FORECAST**  
**(\$ Million)**

<b>Combined Revenue</b>	<b>September 2025 Forecast</b>	<b>December 2025 Forecast</b>	<b>Difference</b>
Personal	50,133.1	50,232.7	99.6
Corporate	4,628.9	4,631.3	2.4
Other	3,426.5	3,557.2	130.8
Gross GF Revenue	58,188.5	58,421.3	232.8
Shared Services Funds	-3.4	0.0	3.4
Rainy Day Fund	-197.9	-197.9	0.0
PERS UAL Fund	0.0	0.0	0.0
Net GF Revenue	57,987.2	58,223.4	236.2
Lottery Resources*	2,335.6	2,282.9	-52.7
Net GF and Lottery Resources	60,322.8	60,506.3	183.5
Select Other Taxes			
Corporate Activity*	4,535.9	4,535.2	-0.8
Marijuana*	449.3	446.2	-3.1

\* All receipts including dedicated funds.

<b>Biennial Net General Fund Revenue Growth: 1993 - 2035</b>
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	<b>Personal</b>	<b>Corporate</b>	<b>Other</b>	<b>Total</b>
<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>	-13.9%	-0.4%	18.8%	-10.5%
<b>2023-25 to 2025-27</b>	35.7%	6.1%	-8.8%	28.7%
<b>2025-27 to 2027-29</b>	19.1%	7.5%	4.6%	17.2%
<b>2027-29 to 2029-31</b>	12.7%	5.9%	15.5%	12.3%
<b>2029-31 to 2031-33</b>	11.6%	9.8%	17.5%	11.8%
<b>2031-33 to 2033-35</b>	12.0%	10.9%	19.4%	12.3%