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LRO FORECAST SUMMARY

2026: Q1

CONTENTS OF REVENUE FORECAST SUMMARY	Page
Change from Close-of-Session (COS) Forecast	2
Effect on 2% Kicker	2
2025-27 Revenue Change from Prior Forecast	3
Ending Balance Change from COS & Prior Forecast	4
Reserve Fund Position	5
2027-29 Revenue Change from Prior Forecast	5
2029-31 & 2031-33 Revenue Change from Prior Forecast	6
2023-35 Revenue Change from Prior Forecast	7
Biennial Net General Fund Revenue Change 1993 - 2035	7

SUMMARIZED CHANGES IN 2025-27 REVENUE

	(\$ Million)		
	2026: Q1 Forecast	Difference from Close of Session	2025: Q4 Forecast
Net General Fund (GF) Revenue	35,346.9	-206.0	105.6
Net GF and Lottery Resources	39,378.9	-349.4	286.5
GF Ending Balance	197.9	-274.9	261.1

2025-27**CHANGE FROM CLOSE OF SESSION
(\$ Million)**

General Fund Resources	Close of Session	2026: Q1 Forecast	Difference
Beginning Balance	2,243.1	2,165.8	-77.2
Rainy Day Fund Transfer	0.0	0.0	0.0
Personal	30,247.1	29,966.7	-280.4
Corporate	3,430.5	3,442.2	11.7
Other	2,082.2	2,152.9	70.8
Gross GF Revenue	35,759.8	35,561.8	-197.9
Shared Services Funds	-67.0	-67.8	-0.8
Rainy Day Fund	-139.9	-147.1	-7.3
PERS UAL Fund	0.0	0.0	0.0
Net GF Revenue	35,552.9	35,346.9	-206.0
Lottery Resources*	1,932.4	1,866.1	-66.2
Anticipated Administrative Actions**	0.0	0.0	0.0
Net GF and Lottery Resources	39,728.3	39,378.9	-349.4

* 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 \$280.4 (-0.9%) million from the 2025 COS estimate.
- Corporate tax revenue is up \$11.7 million (0.3%) from the 2025 COS estimate.
- General Fund gross revenue is down \$197.9 million (-0.6%) from the 2025 COS estimate.
- Net GF and Lottery resources are down \$349.4 million (-0.9%) from the 2025 COS estimate.

EFFECT ON 2% KICKER

Revenue Source	Close of Session	2% Kicker Threshold	2026: Q1 Forecast	Amount +/- Kicker Threshold
Personal & Other Corporation***	32,329.3	32,975.8	32,119.7	-856.2
	3,404.5	3,472.6	3,416.2	-56.4

*** 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.

2025-27**CHANGE FROM PRIOR FORECAST
(\$ Million)**

Combined Revenue	2025: Q4 Forecast	2026: Q1 Forecast	Difference
Beginning Balance	2,018.7	2,165.8	147.1
Rainy Day Fund Transfer	0.0	0.0	0.0
Personal	30,009.7	29,966.7	-43.0
Corporate	3,330.7	3,442.2	111.5
Other	2,100.5	2,152.9	52.4
Gross GF Revenue	35,441.0	35,561.8	120.9
Shared Services Funds	-68.7	-67.8	0.9
Rainy Day Fund	-131.0	-147.1	-16.2
PERS UAL Fund	0.0	0.0	0.0
Net GF Revenue	35,241.3	35,346.9	105.6
Administrative Actions*	0.0	0.0	0.0
Net General Fund Resources	37,260.0	37,512.7	252.7
Lottery Resources**	1,832.4	1,866.1	33.8
Net GF and Lottery Resources	39,092.4	39,378.9	286.5
Select Other Taxes			
Corporate Activity***	3,036.3	3,054.2	17.9
Marijuana***	307.9	304.4	-3.4

* 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

REVENUE CHANGES

- Projected 2025-27 Net General Fund Resources are up \$252.7 million (0.7%) from the 2025: Q4 forecast.
- Projected 2025-27 Lottery resources are up \$33.8 million (1.8%) from the 2025: Q4 forecast.
- Projected 2025-27 combined net General Fund and Lottery Resources are up \$286.5 million (0.7%) from the 2025: Q4 forecast.

2025-27**EFFECT ON ENDING BALANCE****Current vs. Close of Session
(\$ Million)**

General Fund	Close of Session	2026: Q1 Forecast	Difference
Beginning Balance	2,243.1	2,165.8	-77.2
Rainy Day Fund Transfer	0.0	0.0	0.0
Net Revenue	35,552.9	35,346.9	-206.0
Administrative Actions	0.0	0.0	0.0
Total Resources	37,795.9	37,512.7	-283.2
Appropriations / Expenditures	37,323.1	37,314.8	-8.3
Ending Balance	472.8	197.9	-274.9
Rainy Day Fund Transfer	373.2	197.9	-175.3
Remaining Balance	99.6	0.0	-99.6

ENDING BALANCE

- The projected ending balance is down \$274.9 million from the 2025 Close-of-Session estimate.
- The projected ending balance is up \$261.1 million from the 2025: Q4 forecast.
- The Rainy Day Fund is projected to receive \$197.9 million following the 2025-27 biennium.

**Current vs. Prior Forecast
(\$ Million)**

General Fund	2025: Q4 Forecast	2026: Q1 Forecast	Difference
Beginning Balance	2,018.7	2,165.8	147.1
Rainy Day Fund Transfer	0.0	0.0	0.0
Net Revenue	35,241.3	35,346.9	105.6
Administrative Actions	0.0	0.0	0.0
Total Resources	37,260.0	37,512.7	252.7
Appropriations / Expenditures	37,323.1	37,314.8	-8.3
Ending Balance	-63.1	197.9	261.1
Rainy Day Fund Transfer	0.0	197.9	197.9
Remaining Balance	-63.1	0.0	63.1

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	221.1	147.1		368.3
Interest	88.8	125.5		214.4
Withdrawals	92.7	0.0		92.7
Projected Ending Balance	1,229.5	2,183.9		3,413.3
Reserves as of Dec. 2025	1,086.2	1,950.6		3,036.8

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

2027-29

CHANGE FROM PRIOR FORECAST

(\$ Million)

	2025: Q4 Forecast	2026: Q1 Forecast	Difference
Beginning Balance	0.0	197.9	197.9
Transfer to Rainy Day Fund	0.0	-197.9	-197.9
Personal	35,737.5	35,766.9	29.4
Corporate	3,591.8	3,694.1	102.3
Other	2,196.5	2,226.9	30.3
Gross GF Revenue	41,525.9	41,687.9	162.0
Shared Services Funds	-69.3	-69.4	-0.1
Rainy Day Fund	-152.5	-157.9	-5.4
PERS UAL Fund	0.0	0.0	0.0
Net GF Revenue	41,304.1	41,460.5	156.4
Net General Fund Resources	41,304.1	41,460.5	156.4
Lottery Resources*	1,842.6	1,892.7	50.1
Net GF and Lottery Resources	43,146.7	43,353.3	206.5
Select Other Taxes			
Corporate Activity*	3,433.2	3,439.5	6.2
Marijuana*	345.5	344.3	-1.2

* All receipts including dedicated funds.

2029-31**CHANGE FROM PRIOR FORECAST
(\$ Million)**

Combined Revenue	2025: Q4 Forecast	2026: Q1 Forecast	Difference
Personal	40,241.6	40,455.5	213.9
Corporate	3,806.0	3,983.8	177.9
Other	2,536.3	2,508.3	-28.1
Gross GF Revenue	46,583.9	46,947.6	363.7
Shared Services Funds	-38.1	-38.1	0.0
Rainy Day Fund	-163.2	-170.3	-7.1
PERS UAL Fund	0.0	0.0	0.0
Net GF Revenue	46,382.6	46,739.2	356.6
Lottery Resources*	1,993.8	2,016.5	22.7
Net GF and Lottery Resources	48,376.4	48,755.7	379.3
Select Other Taxes			
Corporate Activity*	3,764.5	3,772.1	7.6
Marijuana*	378.1	376.8	-1.3

* All receipts including dedicated funds.

2031-33**CHANGE FROM PRIOR FORECAST
(\$ Million)**

Combined Revenue	2025: Q4 Forecast	2026: Q1 Forecast	Difference
Personal	44,866.8	45,287.1	420.4
Corporate	4,176.5	4,344.1	167.6
Other	2,979.4	2,869.6	-109.8
Gross GF Revenue	52,022.7	52,500.9	478.2
Shared Services Funds	-11.0	-11.0	0.0
Rainy Day Fund	-178.3	-185.7	-7.4
PERS UAL Fund	0.0	0.0	0.0
Net GF Revenue	51,833.3	52,304.2	470.9
Lottery Resources*	2,126.4	2,151.1	24.7
Net GF and Lottery Resources	53,959.7	54,455.3	495.5
Select Other Taxes			
Corporate Activity*	4,125.5	4,132.9	7.4
Marijuana*	412.1	410.6	-1.4

* All receipts including dedicated funds.

2033-35**CHANGE FROM PRIOR FORECAST
(\$ Million)**

Combined Revenue	2025: Q4 Forecast	2026: Q1 Forecast	Difference
Personal	50,232.7	50,910.9	678.2
Corporate	4,631.3	4,758.3	126.9
Other	3,557.2	3,316.2	-241.1
Gross GF Revenue	58,421.3	58,985.3	564.0
Shared Services Funds	0.0	0.0	0.0
Rainy Day Fund	-197.9	-203.4	-5.5
PERS UAL Fund	0.0	0.0	0.0
Net GF Revenue	58,223.4	58,781.9	558.5
Lottery Resources*	2,282.9	2,310.0	27.1
Net GF and Lottery Resources	60,506.3	61,091.8	585.5
Select Other Taxes			
Corporate Activity*	4,535.2	4,523.8	-11.4
Marijuana*	446.2	444.7	-1.6

* All receipts including dedicated funds.

Biennial Net General Fund Revenue Growth: 1993 - 2035

	Personal	Corporate	Other	Total
1993-95 to 1995-97	17.1%	18.8%	28.4%	18.3%
1995-97 to 1997-99	13.0%	-13.9%	-17.6%	7.7%
1997-99 to 1999-01	22.6%	28.2%	2.8%	21.5%
1999-01 to 2001-03	-11.9%	-44.4%	97.9%	-7.5%
2001-03 to 2003-05	16.8%	52.5%	-35.4%	11.4%
2003-05 to 2005-07	22.8%	31.7%	6.4%	22.1%
2005-07 to 2007-09	-8.6%	-18.9%	10.2%	-8.0%
2007-09 to 2009-11	3.7%	20.9%	29.8%	6.8%
2009-11 to 2011-13	15.7%	6.8%	-4.1%	13.1%
2011-13 to 2013-15	14.8%	25.0%	-12.4%	13.2%
2013-15 to 2015-17	15.4%	8.1%	25.2%	15.5%
2015-17 to 2017-19	17.1%	39.4%	3.9%	17.6%
2017-19 to 2019-21	6.3%	13.6%	25.5%	8.0%
2019-21 to 2021-23	28.4%	60.0%	15.3%	30.0%
2021-23 to 2023-25	-13.9%	-0.4%	18.8%	-10.5%
2023-25 to 2025-27	35.5%	9.2%	-6.5%	29.1%
2025-27 to 2027-29	19.4%	7.3%	3.4%	17.3%
2027-29 to 2029-31	13.2%	7.8%	12.6%	12.7%
2029-31 to 2031-33	12.0%	9.0%	14.4%	11.9%
2031-33 to 2033-35	12.4%	9.5%	15.6%	12.4%