

**REVENUE IMPACT OF  
PROPOSED LEGISLATION  
Seventy-Sixth Oregon Legislative  
Assembly  
2012 Regular Session  
Legislative Revenue Office**

**Bill Number:** HB 4005  
**Revenue Area:** Natural Resources  
**Economist:** Chris Allanach,  
Christine Broniak  
**Date** 1/31/12

**Measure Description:** Allows a tax credit against personal income tax, corporation excise tax, or corporation income tax for individuals or companies with livestock killed by predators applying to tax years beginning on or after January 1, 2012. Reduces the amount of such credit by any amount paid by any wolf predation loss compensation program in place in the county.

**Revenue Impact:** Likely to be less than \$50,000 per year

**Impact Explanation:**

The wolf population in Oregon has been growing, with four documented breeding pairs and management objectives to reach 7 breeding pairs in both Eastern and Western Oregon. Population estimates per breeding pair are 14.8 wolves per pair. Based on depredation levels in other states, an average of 5 sheep and 5 cattle are anticipated to be lost each year in Northeast Oregon. With market prices of \$122 per head of sheep and \$850 per head of cattle, the annual loss is roughly \$4,860. Other livestock such as horses, mules, goats, and any furbearing mammal bred commercially within pens, cages, or hutches do not have detailed depredation information. Assuming these additional animals will account for 50% of the losses in a given year, total losses for 2012 would be an estimated \$9,720. As wolves propagate across the state, the growth in wolf population along with an expansion of livestock subject to predation will result in an increase in depredation over the next three biennia.

The measure also reduces any tax credits by any amount compensated under the county wolf depredation compensation and financial assistance grant program. ORS 610.150 directs the State Department of Agriculture to establish the program to assist livestock producers who experience confirmed wolf losses. The program would be funded through the Wolf Management Compensation and Proactive Trust Fund for counties who wish to establish it. It is likely this program would reduce the revenue impact of this measure.

**Further Analysis Required**  
**Creates, Extends, or Expands Tax Expenditure:** Yes  No

The policy purpose is: