REVENUE IMPACT OF PROPOSED LEGISLATION

Seventy-Eighth Oregon Legislative Assembly
2015 Regular Session
Legislative Revenue Office

Bill Number:	**HB 2109**
Revenue Area:	**Income Taxes**
Economist:	**Chris Allanach**
Date:	**2/27/2015**

Only Impacts on Original or Engrossed Versions are Considered Official

---

Measure Description: Extends the sunset date for the TRICARE income tax credit from January 1, 2016 to January 1, 2022.

Revenue Impact: None

Impact Explanation: Under the current interpretation of existing tax law, a simple extension of the sunset date would have no impact on revenue. ORS 315.631 identifies limits on the number of tax credit certifications that may be issued by the Office of Rural Health. No such certifications have been issued since tax year 2011. An extension of this tax credit policy requires a change to the certification statute as well as an extension of the sunset date. Assuming such changes would simply continue the existing tax credit policy, the preliminary estimated revenue loss would be $3.3 million in 2015-17, $4.7 million in 2017-19, and $5.1 million in 2019-21. Further analysis will be done when the bill is in the House Committee on Veterans and Emergency Preparedness and then in the Joint Committee on Tax Credits.

Creates, Extends, or Expands Tax Expenditure: **Yes** ☒ **No** ☐

The policy purpose of this measure is

Further Analysis Required

State Capitol Building
900 Court St NE, Room 143
Salem, Oregon 97301-1347

Phone (503) 986-1266
Fax (503) 986-1770
https://www.oregonlegislature.gov/lro