

Joint Committee on Tax Reform Simulation 4

(effective 1-1-2018):

5/10/2017

1. Eliminate Corporation Income Tax
2. Create a Commercial Activities Tax (\$250 + 0.48% of sales > \$1 million)
3. Change PIT rates from 5/7/9/9.9 to 4.5/6.5/8.5/9.9

2018 Levels				
	Baseline	New Equilibrium	Change From Baseline	Percent Change
Private Sector				
Nominal Personal Income (\$M)	\$199,258	\$199,187	-\$71	-0.04%
Nomical per Capita Personal Income (\$)	\$47,442	\$47,380	-\$62	-0.13%
Employment (Thousand)	2,601.0	2,608.5	+7.5	+0.29%
Population (M)	4.200	4.204	+0.004	+0.10%
Investment (\$M)	\$16,605.97	\$16,639.27	+\$33	+0.20%
Wage Index	100.0	99.53	-0.47	-0.47%
Return to Capital	100.0	100.05	+0.05	+0.05%
Price Levels	100.0	100.15	+0.15	+0.15%
Public Sector				
State Spending (\$M)	\$28,184	\$28,512	+\$328	+1.16%
GF Revenue (\$M)	\$8,827.92	\$9,157.23	+\$329	+3.73%
OF Revenue (\$M)	\$19,356.34	\$19,354.59	-\$2	-0.01%
Local Govt Revenue (\$M)	\$17,135.65	\$17,147.50	+\$12	+0.07%
Federal Tax Paid by Oregonians (\$M)	\$36,193.71	\$36,254.32	+\$61	+0.17%

Static Revenue Impact (\$ Millions)	+\$344
Dynamic Revenue Impact (\$ Millions)	-\$4
Net Revenue Impact (\$ Millions)	+\$339
General Fund Change (\$ Millions)	+\$329
Other Funds Change (\$ Millions)	-\$2
Local Revenue Change (\$ Millions)	+\$12

Total Real Disposable Household Income

	Baseline (\$M)	New Equilibrium (\$M)	Difference (\$M)	% Difference	Change in Number of Hholds	Mean Income Change per HH (\$)
Above \$205,869	\$35,944	\$35,861	-\$83.3	-0.2%	-129	-\$403
\$137,246 - \$205,869	\$31,656	\$31,568	-\$87.7	-0.3%	-106	-\$399
\$102,934 - \$137,246	\$24,654	\$24,618	-\$35.6	-0.1%	86	-\$242
\$68,623 - \$102,934	\$30,208	\$30,160	-\$47.5	-0.2%	216	-\$214
\$48,036 - \$68,623	\$19,930	\$19,922	-\$8.4	0.0%	485	-\$168
\$34,311 - \$48,036	\$13,487	\$13,497	+\$9.5	0.1%	618	-\$155
\$20,587 - \$34,311	\$11,806	\$11,810	+\$4.7	0.0%	563	-\$132
Less than \$20,587	\$9,944	\$9,917	-\$26.7	-0.3%	-22	-\$112
TOTAL	\$177,629	\$177,354	-\$274.9	-0.2%	1,712	

Change in Total Real Disposable Household Income (\$M)

