

Joint Committee on Tax Reform Simulation 4L

(effective 1-1-2018):

5/16/2017

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)	\$197,714	\$198,460	+\$747	+0.38%
Nominal per capita Personal Income (\$M)	\$47,075	\$47,173	+\$99	+0.21%
Employment (Thousand)	2,590.7	2,601.2	+10.4	+0.40%
Population (M)	4.200	4.207	+0.007	+0.17%
Investment (\$M)	\$16,477.31	\$16,566.13	+\$89	+0.54%
Wage Index	100.0	100.01	+0.01	+0.01%
Return to Capital	100.0	100.15	+0.15	+0.15%
Price Levels	100.0	100.20	+0.20	+0.20%
Public Sector				
State Spending (\$M)	\$27,966	\$28,373	+\$407	+1.46%
GF Revenue (\$M)	\$8,759.52	\$9,143.60	+\$384	+4.38%
OF Revenue (\$M)	\$19,206.36	\$19,229.69	+\$23	+0.12%
Local Govt Revenue (\$M)	\$17,002.88	\$17,045.87	+\$43	+0.25%
Federal Tax Paid by Oregonians (\$M)	\$35,913.27	\$36,241.98	+\$329	+0.92%

Static Revenue Impact (\$ Millions)	+\$341
Dynamic Revenue Impact (\$ Millions)	+\$109
Net Revenue Impact (\$ Millions)	+\$450
General Fund Change (\$ Millions)	+\$384
Other Funds Change (\$ Millions)	+\$23
Local Revenue Change (\$ Millions)	+\$43

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	\$35,666	\$35,737	+\$71.2	0.2%	16	\$684
\$137,246 - \$205,869	\$31,411	\$31,459	+\$48.1	0.2%	137	\$145
\$102,934 - \$137,246	\$24,463	\$24,525	+\$62.2	0.3%	317	\$128
\$68,623 - \$102,934	\$29,974	\$30,040	+\$66.0	0.2%	578	\$47
\$48,036 - \$68,623	\$19,776	\$19,822	+\$46.5	0.2%	699	-\$13
\$34,311 - \$48,036	\$13,383	\$13,414	+\$31.3	0.2%	678	-\$61
\$20,587 - \$34,311	\$11,714	\$11,731	+\$16.6	0.1%	590	-\$78
Less than \$20,587	\$9,867	\$9,844	-\$22.7	-0.2%	-19	-\$95
TOTAL	\$176,253	\$176,572	+\$319.2	0.2%	2,996	

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

