

## Sector Data on Oregon Pass Through Reduced Rates - Preliminary Tax Year 2019

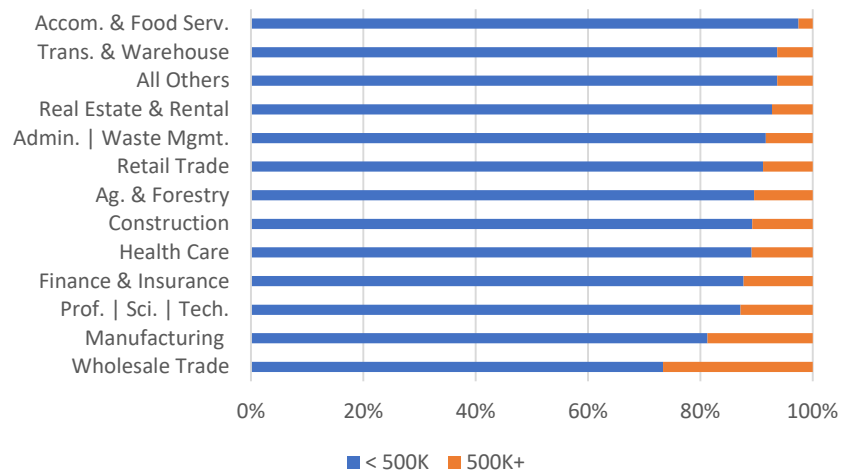
Data below reflects preliminary tax year 2019 data. The first table & chart reflects the number of taxpayers with business pass-through income by sector of business from which passed through income is derived. The second table & chart combination follows the same approach but displays the amount of income passed through.

The tables/charts display the business sector and amount of income received by the taxpayer. A sub-total for <500K (grey shaded) is included reflective of a taxpayer with <\$500K in pass through income receiving a tax cut from HB 2604 rate/bracket tax changes. The breakeven point is pass through income of about \$577,000. Above \$577K, the taxpayer begins to experience a tax increase.

As displayed, in total about 90% of taxpayers receive income from a business source in amounts less than \$500,000 in pass through income. However, examining amount of income (second set of table/chart) displays that about 34% of pass through income is sourced from taxpayers receiving less than \$500,000 in such pass-through income.

Preliminary Tax Year 2019 - Percent of Business Entities by Sector & Pass Thru Income						
Sector Name	≤75K	75-150K	150-500K	< 500K	500K+	Total
Accom. & Food Serv.	62%	21%	15%	98%	2%	100%
Admin.   Waste Mgmt.	55%	22%	15%	92%	8%	100%
Ag. & Forestry	50%	17%	23%	90%	10%	100%
Construction	48%	19%	22%	89%	11%	100%
Finance & Insurance	36%	21%	30%	88%	12%	100%
Health Care	39%	20%	30%	89%	11%	100%
Manufacturing	42%	16%	23%	81%	19%	100%
Prof.   Sci.   Tech.	41%	19%	28%	87%	13%	100%
Real Estate & Rental	48%	19%	25%	93%	7%	100%
Retail Trade	55%	17%	19%	91%	9%	100%
Trans. & Warehouse	55%	19%	20%	94%	6%	100%
Wholesale Trade	33%	16%	24%	73%	27%	100%
All Others	62%	16%	16%	94%	6%	100%
<b>Total</b>	<b>49%</b>	<b>19%</b>	<b>22%</b>	<b>90%</b>	<b>10%</b>	<b>100%</b>

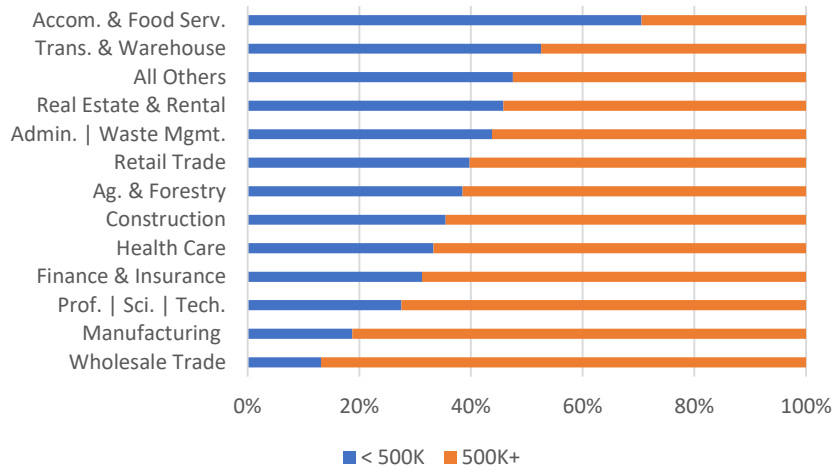
Percent of Businesses Passing Through Income to Taxpayers by Amount Passed Through



**Preliminary Tax Year 2019 - Percent of Business Income by Sector & Pass Thru Income**

Sector Name	≤75K	75-150K	150-500K	< 500K	500K+	Total
Accom. & Food Serv.	11%	21%	38%	71%	29%	<b>100%</b>
Admin.   Waste Mgmt.	8%	11%	21%	40%	60%	<b>100%</b>
Ag. & Forestry	2%	7%	24%	33%	67%	<b>100%</b>
Construction	4%	6%	18%	28%	72%	<b>100%</b>
Finance & Insurance	3%	6%	22%	31%	69%	<b>100%</b>
Health Care	4%	9%	33%	46%	54%	<b>100%</b>
Manufacturing	1%	4%	14%	19%	81%	<b>100%</b>
Prof.   Sci.   Tech.	4%	7%	24%	35%	65%	<b>100%</b>
Real Estate & Rental	5%	10%	33%	48%	52%	<b>100%</b>
Retail Trade	6%	9%	23%	39%	61%	<b>100%</b>
Trans. & Warehouse	6%	14%	33%	53%	47%	<b>100%</b>
Wholesale Trade	1%	2%	10%	13%	87%	<b>100%</b>
All Others	9%	10%	24%	44%	56%	<b>100%</b>
<b>Total</b>	<b>4%</b>	<b>7%</b>	<b>23%</b>	<b>34%</b>	<b>66%</b>	<b>100%</b>

**Percent of Businesses Income Passed Through to Taxpayer by Amount Passed Through**



Underlying data source: Preliminary tax year 2019 data received from DOR