

**REVENUE IMPACT OF
PROPOSED LEGISLATION**
81st Oregon Legislative Assembly
2021 Regular Session
Legislative Revenue Office

Bill Number: HB 2433 - 8
Revenue Area: Personal Income Taxes
Economist: Kyle Easton
Date: 6/14/2021

*Only Impacts on Original or Engrossed
Versions are Considered Official*

Measure Description:

Allows taxpayer to claim, on their 2021 income tax return, a refund of overpaid personal income tax resulting from a tax year 2020 federal recovery rebate payment or credit received that reduced taxpayer's income tax subtraction for federal taxes paid. Specifies refunds are to be paid with interest. For tax year 2021, specifies that personal income taxpayer may not take into account any amount of the 2021 federal recovery rebate credit when computing taxpayer's income tax subtraction for federal taxes paid.

Revenue Impact (in \$Millions):

	Biennium 2021-23
General Fund	-\$297

Impact Explanation:

Measure removes effect of federal recovery rebates on Oregon's federal income tax subtraction for tax years 2020 and 2021. About 900,000 taxpayers in each respective tax year are expected to be affected by the recovery rebates and interaction with Oregon's federal tax subtraction.

Creates, Extends, or Expands Tax Expenditure: Yes No