

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

Bill Number: SB 142
Revenue Area: Personal Income Tax
Economist: Kyle Easton
Date: 3/31/2021

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

Measure Description:

Extends sunset, from January 1, 2022 to January 1, 2028, of tax credit available to taxpayers with a qualified disabled dependent child.

Revenue Impact (in \$Millions):

	Fiscal Year		Biennium		
	2021-22	2022-23	2021-23	2023-25	2025-27
General Fund		-\$4.9	-\$4.9	-\$10.2	-\$10.6

Impact Explanation:

Taxpayers with adjusted gross income (AGI) up to \$100,000 are allowed an additional personal exemption credit for each dependent child who meets the relevant statutory definition of disabled. The personal exemption credit is indexed to inflation and will be \$214 in 2021. In 2018, nearly 20,000 Oregon resident taxpayers claimed the disabled child credit with the average credit benefit being about \$200. The revenue impact reflects indexed value of the credit along with expectation of future use of the credit by taxpayers.

This measure has a subsequent referral to the Joint Committee on Tax Expenditures.

Creates, Extends, or Expands Tax Expenditure: Yes No

The policy purpose of this credit is to provide financial relief and offset costs associated with a child's disability.

Further Analysis Required