

STATE OF OREGON
LEGISLATIVE REVENUE OFFICE
PUBLIC SERVICE BUILDING (Temporary Location)
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LRO FORECAST SUMMARY

(Corrected, see note on page 2 following personal kicker)

March 2025

NEW FACTS SINCE THE LAST FORECAST

	4th Qtr 2024 Forecast	4th Qtr 2024 Reported	Difference
Employment	1,998,023	1,999,692	1,669
Personal Income (\$ billion)	307.4	308.1	0.7
Personal Income Tax (\$ million)			
Withholding	3,000.7	3,009.0	8.3
Other Payments less Refunds	-133.3	-249.7	-116.5
Total	2,867.5	2,759.3	-108.2
Corporate Income Tax	396.5	338.6	-57.9

NEW FACTS

- Fourth Quarter personal income tax collections came in \$108.2 million (-3.8%) below the December 2024 forecast.
- Fourth Quarter corporate income tax collections came in \$57.9 million (-14.6%) below the December 2024 forecast.
- Fourth Quarter Oregon personal income was \$0.7 billion (0.2%) above the December 2024 forecast.
- Fourth Quarter Oregon employment was 1,669 jobs (0.1%) above the December 2024 forecast.

2023-25

CHANGE FROM CLOSE OF SESSION (\$ Million)

General Fund Resources	Close of Session	March 2025 Forecast	Difference
Beginning Balance	7,493.5	8,082.5	589.0
Rainy Day Fund & Other Transfers	-308.4	-264.7	43.6
Personal	21,019.7	22,570.0	1,550.3
Corporate	2,228.9	3,222.1	993.1
Other	2,011.3	2,216.2	204.9
Gross GF Revenue	25,259.9	28,008.2	2,748.3
Shared Services Funds	-37.0	-100.8	-63.7
Rainy Day Fund	-91.6	-131.3	-39.7
PERS UAL Fund	0.0	0.0	0.0
Net GF Revenue	25,131.3	27,776.1	2,644.8
Lottery Resources*	1,919.4	1,951.8	32.5
Anticipated Administrative Actions**	0.0	0.0	0.0
Net GF and Lottery Resources	34,235.8	37,545.7	3,309.9

* All lottery resources including dedicated funds.

** Administrative Actions equal expenses associated with cash flow management, exclusive of internal borrowing.

CHANGE SINCE CLOSE OF SESSION

- Personal income tax revenue is up \$1,550.3 (7.4%) million from the 2023 COS estimate.
- Corporate tax revenue is up \$993.1 million (44.6%) from the 2023 COS estimate.
- General Fund gross revenue is up \$2,748.3 million (10.9%) from the 2023 COS estimate.
- Net GF and Lottery resources are up \$3,309.9 million (9.7%) from the 2023 COS estimate.

EFFECT ON 2% KICKER

(\$ Million)

Revenue Source	Close of Session	2% Kicker Threshold	March 2025 Forecast	Amount +/- Kicker Threshold
Personal & Other	23,031.0	23,491.6	24,757.6	1,266.0
Corporation***	2,204.8	2,248.9	3,197.9	949.0

*** As per the AG, the corporate kicker calculation excludes the minimum tax paid by S-corporations because it is a flat tax.

KICKER REFUNDS IMPLIED BY FORECAST

PERSONAL: A personal kicker of **\$1,726.6** million is projected for 2025.
(Note: Kicker projection corrected. Corrected numbers displayed in **red**)

CORPORATE: Corporate tax revenue of \$993.1 million is projected to be dedicated to K-12 education spending in 2025-27.

2023-25

CHANGE FROM PRIOR FORECAST
(\$ Million)

Combined Revenue	December 2024 Forecast	March 2025 Forecast	Difference
Beginning Balance	8,082.5	8,082.5	0.0
Rainy Day Fund & Other Transfers	-264.7	-264.7	0.0
Personal	22,690.8	22,570.0	-120.8
Corporate	3,253.4	3,222.1	-31.4
Other	2,154.2	2,216.2	62.0
Gross GF Revenue	28,098.5	28,008.2	-90.2
Shared Services Funds	-101.5	-100.8	0.7
Rainy Day Fund	-131.6	-131.3	0.3
PERS UAL Fund	0.0	0.0	0.0
Net GF Revenue	27,865.4	27,776.1	-89.2
Administrative Actions*	0.0	0.0	0.0
Net General Fund Resources	35,683.1	35,593.9	-89.2
Lottery Resources**	1,971.6	1,951.8	-19.8
Net GF and Lottery Resources	37,654.8	37,545.7	-109.0
Select Other Taxes			
Corporate Activity***	2,788.7	2,757.1	-31.6
Marijuana***	311.9	310.2	-1.7

* Administrative Actions equal expenses associated with cash flow management, exclusive of internal borrowing.

** All receipts including dedicated funds and carryover of 2021-23 ending balance.

*** All receipts including dedicated funds

REVENUE CHANGES

- Projected 2023-25 Net General Fund Resources are down \$89.2 million (-0.3%) from the December 2024 forecast.
- Projected 2023-25 Lottery resources are down \$19.8 million (-1.0%) from the December 2024 forecast.
- Projected combined net General Fund and Lottery Resources are down \$109.0 million (-0.3%) from the December 2024 forecast.

2023-25

EFFECT ON ENDING BALANCE

Current vs. Close of Session
(\$ Million)

General Fund	Close of Session	March 2025 Forecast	Difference
Beginning Balance	7,493.5	8,082.5	589.0
Rainy Day Fund & Oth. Transfers	-308.4	-264.7	43.6
Revenue	25,131.3	27,776.1	2,644.8
Administrative Actions	0.0	0.0	0.0
Total Resources	32,316.4	35,593.9	3,277.5
Expenditures	31,873.6	33,007.4	1,133.8
Ending Balance	442.8	2,586.5	2,143.7
Rainy Day Fund Transfer	318.7	330.1	11.3
Remaining Balance	124.1	2,256.5	2,132.4

ENDING BALANCE

- The projected ending balance is up \$2,143.7 million from the 2023 Close-of-Session estimate.
- The projected ending balance is down \$199.5 million from the December 2024 forecast.
- The Rainy Day Fund is projected to receive \$330.1 million following the 2023-25 biennium.

Current vs. Prior Forecast
(\$ Million)

General Fund	December 2024 Forecast	March 2025 Forecast	Difference
Beginning Balance	8,082.5	8,082.5	0.0
Rainy Day Fund & Oth. Transfers	-264.7	-264.7	0.0
Revenue	27,865.4	27,776.1	-89.3
Administrative Actions	0.0	0.0	0.0
Total Resources	35,683.2	35,593.9	-89.3
Expenditures	32,897.2	33,007.4	110.2
Ending Balance	2,786.0	2,586.5	-199.5
Rainy Day Fund Transfer	329.0	330.1	1.1
Remaining Balance	2,457.0	2,256.5	-200.6

2023-25

Reserve Fund Position				
	Education Stability Fund *	Rainy Day Fund	General Fund	Reserves Available
	(\$ Millions)			
Beginning Balance	710.8	1,353.5		2,064.2
Deposits	301.3	396.1		697.3
Interest	84.2	156.8		241.0
Withdrawals	86.5	0.0		86.5
Projected Ending Balance	1,009.7	1,906.3	2,586.5	5,502.5
Reserves as of Dec. 2024	940.5	1,736.6	2,586.5	5,263.6

*Excludes funds in the Oregon Growth and the Oregon Resource and Technology Development subaccounts.

2025-27

CHANGE FROM PRIOR FORECAST (\$ Million)

Combined Revenue	December 2024 Forecast	March 2025 Forecast	Difference
Beginning Balance	2,786.0	2,586.5	-199.5
Transfer to Rainy Day Fund	-329.0	-330.1	-1.1
Personal	30,287.9	30,831.8	544.0
Corporate	3,439.8	3,407.0	-32.8
Other	1,840.5	1,872.9	32.4
Gross GF Revenue	35,568.1	36,111.7	543.6
Shared Services Funds	-66.1	-65.1	1.0
Rainy Day Fund	-145.0	-138.9	6.1
PERS UAL Fund	0.0	0.0	0.0
Net GF Revenue	35,357.0	35,907.7	550.7
Net General Fund Resources	37,814.0	38,164.2	350.1
Lottery Resources**	2,057.4	1,974.7	-82.7
Net GF and Lottery Resources	39,871.4	40,138.9	267.5
Select Other Taxes			
Corporate Activity**	3,125.6	3,116.1	-9.5
Marijuana**	327.9	327.6	-0.3

** All receipts including dedicated funds.

2027-29

CHANGE FROM PRIOR FORECAST
(\$ Million)

Combined Revenue	December 2024 Forecast	March 2025 Forecast	Difference
Personal	35,825.7	35,842.2	16.5
Corporate	3,577.4	3,592.3	14.8
Other	1,895.8	1,928.5	32.7
Gross GF Revenue	41,298.9	41,363.0	64.1
Shared Services Funds	-67.1	-66.1	1.0
Rainy Day Fund	-153.2	-146.4	6.8
PERS UAL Fund	0.0	0.0	0.0
Net GF Revenue	41,078.6	41,150.5	71.9
Lottery Resources*	2,140.7	2,074.0	-66.7
Net GF and Lottery Resources	43,219.3	43,224.5	5.2
Select Other Taxes			
Corporate Activity*	3,471.4	3,474.5	3.1
Marijuana*	365.7	364.8	-0.9

* All receipts including dedicated funds.

2029-31

CHANGE FROM PRIOR FORECAST
(\$ Million)

Combined Revenue	December 2024 Forecast	March 2025 Forecast	Difference
Personal	40,021.7	39,853.5	-168.2
Corporate	3,786.5	3,811.9	25.4
Other	1,978.9	2,026.7	47.8
Gross GF Revenue	45,787.1	45,692.1	-95.0
Shared Services Funds	-37.5	-37.5	0.0
Rainy Day Fund	-162.1	-155.4	6.7
PERS UAL Fund	0.0	0.0	0.0
Net GF Revenue	45,587.5	45,499.2	-88.3
Lottery Resources*	2,297.5	2,230.6	-66.9
Net GF and Lottery Resources	47,884.9	47,729.7	-155.2
Select Other Taxes			
Corporate Activity*	3,823.7	3,820.1	-3.6
Marijuana*	403.3	402.1	-1.2

* All receipts including dedicated funds.

2031-33

CHANGE FROM PRIOR FORECAST
(\$ Million)

Combined Revenue	December 2024 Forecast	March 2025 Forecast	Difference
Personal	44,600.7	44,279.6	-321.1
Corporate	4,117.3	4,176.3	59.0
Other	2,086.0	2,126.9	40.9
Gross GF Revenue	50,804.0	50,582.8	-221.2
Shared Services Funds	-11.0	-11.0	0.0
Rainy Day Fund	-176.4	-170.2	6.1
PERS UAL Fund	0.0	0.0	0.0
Net GF Revenue	50,616.6	50,401.6	-215.0
Lottery Resources*	2,465.8	2,392.7	-73.1
Net GF and Lottery Resources	53,082.4	52,794.3	-288.1
Select Other Taxes			
Corporate Activity*	4,188.8	4,187.8	-0.9
Marijuana*	440.0	438.2	-1.7

* All receipts including dedicated funds.

Biennial Net General Fund Revenue Growth: 1993 - 2033
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	Personal	Corporate	Other	Total
1993-95 to 1995-97	17.1%	18.8%	28.4%	18.3%
1995-97 to 1997-99	13.0%	-13.9%	-17.6%	7.7%
1997-99 to 1999-01	22.6%	28.2%	2.8%	21.5%
1999-01 to 2001-03	-11.9%	-44.4%	97.9%	-7.5%
2001-03 to 2003-05	16.8%	52.5%	-35.4%	11.4%
2003-05 to 2005-07	22.8%	31.7%	6.4%	22.1%
2005-07 to 2007-09	-8.6%	-18.9%	10.2%	-8.0%
2007-09 to 2009-11	3.7%	20.9%	29.8%	6.8%
2009-11 to 2011-13	15.7%	6.8%	-4.1%	13.1%
2011-13 to 2013-15	14.8%	25.0%	-12.4%	13.2%
2013-15 to 2015-17	15.4%	8.1%	25.2%	15.5%
2015-17 to 2017-19	17.1%	39.4%	3.9%	17.6%
2017-19 to 2019-21	6.3%	13.6%	25.5%	8.0%
2019-21 to 2021-23	28.4%	60.0%	15.3%	30.0%
2021-23 to 2023-25	-12.3%	2.1%	14.3%	-9.2%
2023-25 to 2025-27	36.9%	5.7%	-15.5%	29.3%
2025-27 to 2027-29	16.3%	5.4%	3.0%	14.6%
2027-29 to 2029-31	11.3%	6.1%	5.1%	10.6%
2029-31 to 2031-33	11.2%	9.6%	4.9%	10.8%