

**REVENUE IMPACT OF
PROPOSED LEGISLATION**
83rd Oregon Legislative Assembly
2025 Regular Session
Legislative Revenue Office

Bill Number: HB 3329
Revenue Area: Income Taxes
Economist: Kyle Easton
Date: 5/22/2025

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

Measure Description:

Increases by \$8 million (from \$20M to \$28M), the total annual amount of tax credits auctioned for the purpose of generating proceeds to be deposited to the Oregon Production Investment Fund (OPIF). Increase applies to auctions conducted in fiscal years beginning on or after July 1, 2025.

Revenue Impact (in \$Millions):

	Fiscal Year		Biennium		
	2025-26	2026-27	2025-27	2027-29	2029-31
General Fund	-\$7.6	-\$7.9	-\$15.5	-\$16.0	-\$8.4
Fund Receipts					
Oregon Production Investment Fund	\$7.5	\$7.5	\$15.0	\$15.0	\$7.5

Impact Explanation:

In recent auctions, the full allotment of tax credits has been successfully sold at an average price of 94% of credit face value. As credits are auctioned in \$500 increments, this converts to an average purchase price of about \$470 for a \$500 credit (minimum allowed purchase price is \$450). The difference in credit face value and the amount paid for the credit at auction causes the difference between the reduction in General Fund revenue and funding provided to OPIF. Bids for credits in recent auctions suggest sufficient demand exists for an additional \$8 million in auctioned credits, through multiple auctions may be necessary. In recent years, about 95% of the credit value has been claimed by taxpayers in the first available tax year with the remaining 5% claimed in succeeding tax years (a three-year carryforward of unused credits is allowed). This credit carryforward is reflected in the revenue impact estimates for fiscal years 2025-26 and 2026-27, which are less than the full \$8 million in additional auctioned tax credits. The decline in the estimate for the 2029-31 biennium reflects the credit's sunset following tax year 2029.

Creates, Extends, or Expands Tax Expenditure: Yes ☒ No ☐

The policy purpose of the credit is to encourage film and video production in Oregon and strengthen Oregon's film and video industry infrastructure by attracting more production spending.