

SB 5536 BUDGET REPORT and MEASURE SUMMARY

Joint Committee On Ways and Means

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Reviewed By: Emily Coates, Legislative Fiscal Office

**Department of Revenue
2025-27**

Budget Summary*

	2023-25 Legislatively Approved Budget ⁽¹⁾	2025-27 Current Service Level	2025-27 Committee Recommendation	Committee Change from 2023-25 Leg. Approved	
				\$ Change	% Change
General Fund	\$ 244,441,805	\$ 269,246,694	\$ 267,635,208	\$ 23,193,403	9.5%
General Fund Debt Service	\$ 4,459,399	\$ 5,233,018	\$ 5,233,018	\$ 773,619	17.3%
Other Funds Limited	\$ 186,971,236	\$ 186,375,353	\$ 169,974,714	\$ (16,996,522)	(9.1%)
Other Funds Debt Service	\$ 113,110	\$ -	\$ -	\$ (113,110)	(100.0%)
Total	\$ 435,985,550	\$ 460,855,065	\$ 442,842,940	\$ 6,857,390	1.6%

Position Summary

Authorized Positions	1,166	1,150	1,147	(19)
Full-time Equivalent (FTE) positions	1,088.75	1,093.86	1,092.82	4.07

⁽¹⁾ Includes adjustments through January 2025

* Excludes Capital Construction expenditures

Summary of Revenue Changes

The Department of Revenue (DOR) is responsible for collecting taxes that make up 97% of the state's General Fund revenue, including personal income tax, corporate income tax, inheritance tax, cigarette tax, and other tobacco products taxes. The General Fund is dependent on the personal income tax, which is projected to account for over 85% of the General Fund revenues in the 2025-27 biennium.

The Department's primary source of Other Funds for administering its tax portfolio comes from the taxes it collects, including the corporate activity tax (CAT), marijuana tax, portions of the cigarette and other tobacco product taxes, transportation taxes, the state lodging tax, and various other taxes collected on behalf of other state agencies or local governments. Proceeds from these taxes are transferred to state agencies or local governments after deducting the costs of administration. The revenues from these taxes are subject to allocation and some of the taxes DOR collects have legal caps on the administrative costs.

In addition to the Other Funds tax revenues supporting administrative work, DOR receives Other Funds revenue from fees for services rendered. The Property Tax Division receives fees for maintaining tax maps for counties, as well as document recording fees and a portion of the interest on delinquent properties. A primary revenue source for the Property Tax Division comes from the County Assessment Function Funding Account revenue, which is projected to bring in \$37.5 million during the 2025-27 biennium. Of this amount, 90% is transferred to counties to help pay for the administration of local property tax programs, while 10% is retained by the Property Tax Division to administer the division's programs. The Collection Division collects fees charged against the debt it collects on behalf of other state agencies. The Department is projected to collect \$18.7 million in fees during the 2025-27 biennium related to collection activities.

Summary of General Government Subcommittee Action

DOR has 63 revenue streams, including 38 tax programs, 11 fee programs, and 14 audit and collection activities. These revenue streams account for more than 97% of the state's General Fund revenue. DOR oversees the county property tax function and collects and distributes taxes and fees for other state agencies and local governments. The Department operates two tax relief programs for the elderly and persons with disabilities: the Non-Profit Housing for Elderly Persons Program and the Senior Citizens' and Disabled Citizens' Property Tax Deferral Program. The Subcommittee recommended a total funds budget of \$442,842,940 and 1,147 positions (1,092.82 FTE) for the 2025-27 biennium. The budget consists of a General Fund appropriation of \$272,868,226 and \$169,974,714 Other Funds expenditure limitation. This represents a 1.6% increase in total funds from the 2023-25 legislatively approved budget.

Administration Division

The Administration Division provides overall Department leadership by providing operational services in finance, communications, human resources, internal audits, and research. The Division helps the Department adhere to state policy, realize governor and legislative objectives, track delivery of programs, and approve resources and plans to achieve the goals outlined in the Department's strategic plan.

The Subcommittee approved the following budget note related to the Department's cost allocation methodology:

Budget Note

The Department of Revenue is directed to report to the General Government Subcommittee of the Joint Committee on Ways and Means during the 2026 session on the findings provided by the outside consultant who supported the agency with the modernization of the current cost allocation methodology. The report must include an update on the workshops held with state agencies, local governments, and transit districts that will be impacted and a summary of the proposed changes by division and fund type for the new cost allocation methodology.

The Subcommittee recommended budget for the Administration Division is \$59,362,781 total funds, which includes \$43,149,121 General Fund, \$16,213,660 Other Funds expenditure limitation, and 88 positions (87.76 FTE). The Subcommittee's recommendation includes the following packages:

Package 090, Analyst Adjustments. This package reduces General Fund by \$1,322,501 and Other Funds expenditure limitation by \$443,424 to recognize savings from vacating the fifth floor of the Revenue building.

Package 801, LFO Analyst Adjustments. This package provides \$56,040 General Fund and \$20,329 Other Funds expenditure limitation for phase 2 Pay Equity adjustments.

Property Tax Division

The Property Tax Division (PTD) oversees the property tax function of Oregon county government, which generates over \$17 billion a year to fund public schools, police and fire departments, and other local government services. PTD consists of four major program areas: County Oversight, Industrial and Utility Valuation, Forestland Valuation and Timber Taxes, and Cadastral Information Systems.

This division is supported by General Fund and Other Funds revenues. Other Funds revenues come from the County Mapping and County Assessment Funding Programs. Document recording fees, plus a portion of the interest collected on delinquent property tax payments, support the Department's appraisal of approximately 850 industrial sites and approximately 560 centrally assessed (utility, transportation, and energy) companies, as well as the administration of the county grant process. The Subcommittee recommended budget for the Division is \$65,074,833 total funds, including \$25,675,108 General Fund, \$39,399,725 Other Funds expenditure limitation, and 78 positions (78.00 FTE). The Subcommittee recommendation includes the following packages:

Package 070, Revenue Shortfalls. This package reduces Other Funds expenditure limitation by \$10,709,571 and 5.08 FTE to recognize an Other Funds revenue shortfall in the Property Tax Division, which funds the County Assessment Function Funding Account program and the statewide digital cadastral base map, ORMAP.

Package 090, Analyst Adjustments. This package reduces General Fund by \$16,690 and Other Funds expenditure limitation by \$341 to recognize savings from vacating the fifth floor of the Revenue building.

Package 102, Property Tax Division Shortfall. This package provides \$1,727,032 General Fund, increases Other Funds expenditure limitation by \$19,404, and increases FTE by 5.08 to restore a portion of the revenue shortfall in Package 070 to cover the Division's administrative costs.

Package 802, Vacant Position Reductions. This package abolishes 13 positions agencywide. For the Property Tax Division, this package eliminates one Appraiser Analyst 3 position (1.00 FTE) and associated services and supplies.

Personal Tax and Compliance Division

The Personal Tax and Compliance Division (PTAC) is responsible for administering personal income tax. The Division also provides enforcement services for the TriMet and Lane Transit District Self-Employment taxes. Personal income tax is projected to bring in approximately \$22.4 billion during the 2023-25 biennium as of the May 2025 forecast; and for context, an estimated 2.2 million personal income tax returns were processed in 2024.

The mission of PTAC is to improve taxpayer compliance with the programs it administers through taxpayer assistance, education, and enforcement activities. To aid voluntary compliance, PTAC provides taxpayer education and assistance programs. It also employs enforcement activities for those who do not voluntarily comply with Oregon's personal income tax laws. Enforcement actions affect individuals who fail to file required returns, understate income, overstate expenses or deductions, or fail to pay.

This Division is supported primarily by General Fund revenues. PTAC Other Funds expenditures are primarily for the enforcement of Tri-Met and Lane County Transit self-employment taxes. The Subcommittee's recommended budget for PTAC is \$78,334,418 total funds, which includes \$76,431,274 General Fund, \$1,903,144 Other Funds expenditure limitation, and 287 positions (272.75 FTE). The Subcommittee recommendation includes the following packages:

Package 090, Analyst Adjustments. This package reduces General Fund by \$264,050, Other Funds expenditure limitation by \$6,137, and one position (0.25 FTE). This includes eliminating one vacant seasonal Data Entry Operator, which was initially phased in during the 2025-27 biennium budget development to support work related to SB 1 (2023). This position is no longer needed as the Division does not have the anticipated workload that justified the original request. Additionally, this package includes savings from vacating the fifth floor of the Revenue building.

Package 801, LFO Analyst Adjustments. This package reduces General Fund by \$126,017 and Other Funds expenditure limitation by \$179. This is the net result of providing \$205,983 General Fund and \$7,921 Other Funds expenditure limitation for phase 2 Pay Equity adjustments, in conjunction with reducing General Fund by \$332,000 and Other Funds expenditure limitation by \$8,000 for eliminating postage related to 1099-Gs, which are now available through Revenue Online.

Package 802, Vacant Position Reductions. This package abolishes 13 vacant positions agencywide. For the Personal Tax and Compliance Division, this package eliminates four permanent full-time positions, including one Administrative Specialist 1 (1.00 FTE), two Revenue Agent 1 (2.00 FTE), and one Tax Auditor 1 (1.00 FTE). Additionally, this package eliminates four seasonal part-time positions, including three Office Specialist 2 (1.26 FTE) and one Administrative Specialist 1 (0.21 FTE). This package also eliminates the associated services and supplies for these positions.

Business Division

The Business Division administers the corporation income and excise taxes, employer income tax withholdings, state and local transit payroll taxes, fiduciary, inheritance, cigarette tax, other tobacco product taxes, vehicle excise and use taxes, other special programs and taxes. Although administered by the Business Division, the costs associated with administering the marijuana tax and CAT are budgeted in the Marijuana Program and the Corporate Division, respectively. The Business Division shares administrative responsibility for administering the Combined Payroll Tax program with the Oregon Employment Department, which processes the majority of the returns and administers the state's unemployment tax and paid leave program, and the Department of Consumer and Business Services, which administers the workers' benefit fund assessment. The Business Division audits corporation income and excise tax returns, cigarette and tobacco returns, and state and local lodging tax returns as well as returns of many other tax programs administered in the division.

This section is supported by General Fund and charges to Other Funds programs for their share of the Department's administrative expenses. Other Funds revenue includes administrative charges to the Other Funds taxes the Division administers. The Subcommittee's recommended

budget for the Business Division is \$44,808,354 total funds, which includes \$26,927,493 General Fund, \$17,880,861 Other Funds expenditure limitation, and 140 positions (139.00 FTE). The Subcommittee recommendation includes the following packages:

Package 090, Analyst Adjustments. This package reduces General Fund by \$26,479 and Other Funds expenditure limitation by \$5,939 to recognize savings from vacating the fifth floor of the Revenue building.

Package 801, LFO Analyst Adjustments. This package increases Other Funds expenditure limitation by \$59,700 to reflect the Department's actual costs to administer distributions of the Criminal Fines Account (CFA). The increase comes from CFA monies and will be included in SB 5530 (2025), the allocations bill.

Package 802, Vacant Position Reductions. This package abolishes 13 vacant positions agencywide. For the Business Division, this includes eliminating one Corporate Tax Auditor 2 position (1.00 FTE) and associated services and supplies.

Collection Division

The Collection Division contains all of DOR's collections functions, including the transfer of collection functions from the Personal Tax and Compliance Division and the Business Division, as well as the Other Agency Accounts (OAA) section. OAA acts as an in-house collections agency for state government, collecting on debts for over 200 state departments, boards, and commissions, and managing contracts for private collections firms for Executive Branch agencies.

The Subcommittee's recommended budget for the Collection Division is \$62,706,037 total funds, which includes \$39,394,176 General Fund, \$23,311,861 Other Funds expenditure limitation, and 257 positions (254.93 FTE). The Subcommittee recommendation includes the following packages:

Package 090, Analyst Adjustments. This package reduces General Fund by \$4,190 and Other Funds expenditure limitation by \$2,011 to recognize savings from vacating the fifth floor of the Revenue building.

Package 106, Paid Leave Oregon, Centralized Collections. This package increases Other Funds expenditure limitation by \$1,903,364 and 11 permanent full-time positions (9.68 FTE) to manage the projected increase in accounts from the Oregon Employment Department due to the implementation of the Paid Leave Oregon payroll tax and to address workload needs related to centralized debt collection activities through the Other Agency Accounts program. Funding for this package comes from fees charged by the agency for collection services.

Package 802, Vacant Position Reductions. This package abolishes 13 vacant positions agencywide. For the Collection Division, this package eliminates two vacant Revenue Agent 1 positions (2.00 FTE) and associated services and supplies.

Corporate Division

The Corporate Division administers CAT established by HB 3427 (2019). CAT applies to business receipts earned on or after January 1, 2020. Proceeds from the tax are deposited into the Fund for Student Success and directly support investments in education. This program unit reports to the Business Division and includes administrative resources to support taxpayers in complying with tax reporting and payment regulations, as well as revenue receipts, which are transferred to the Oregon Department of Education. As of May 2025, over 43,000 taxpayers registered for CAT and approximately 75,000 tax returns were filed for tax years 2020, 2021, and 2022. The Subcommittee recommended a budget of \$18,730,073 Other Funds expenditure limitation and 50 positions (49.23 FTE). The Subcommittee's recommendation includes the following package:

Package 090, Analyst Adjustments. This package reduces Other Funds expenditure limitation by \$196,624 to recognize savings from vacating the fifth floor of the Revenue building.

Information Technology Services Division

The Information Technology Services Division supports the technology platforms on which DOR operates, processes incoming paper returns and correspondence, and processes and deposits all payments received by the Department. The Division includes Engineering Services, which manages DOR's network, databases, middleware, systems and servers; the Service Desk, which provides end-user support for DOR's employees; the Core Systems group, which supports DOR's core system, Gentax; Application Services, which develops and supports in-house applications DOR uses to administer its tax portfolio; and the Processing Center, which processes all incoming paper returns, payments, and correspondence and deposits all payments.

This Division is supported by General Fund and charges to Other Funds programs for their share of the Department's administrative expenses. The Subcommittee recommended budget for the Information Technology Services Division is \$67,849,286 total funds, which includes \$52,265,493 General Fund, \$15,583,793 Other Funds expenditure limitation, and 228 positions (193.81 FTE). The Subcommittee recommendation includes the following packages:

Package 090, Analyst Adjustments. This package reduces General Fund by \$19,204 and Other Funds expenditure limitation by \$5,736 to recognize savings from vacating the fifth floor of the Revenue building.

Package 101, ELVIS Support. This package provides \$496,650 General Fund and increases Other Funds expenditure limitation by \$148,350 for ongoing licenses and maintenance costs for the Electronic Valuation Information System project.

Package 802, Vacant Position Reductions. This package abolishes 13 vacant positions agencywide. For the Information Technology Services Division, this package eliminates one Office Specialist 2 position (1.00 FTE) and associated services and supplies.

Marijuana Program

The Marijuana Program consists of the staff needed to administer the marijuana tax, including communications, policy analysis, and the development of administrative rules and forms. In addition, the Marijuana Program administers approximately 95 local marijuana taxes on behalf of local governments. Marijuana businesses are newly able to use the formal banking system; however, many still pay their taxes in cash, which requires the Department to build and staff a cash handling facility where all taxpayers seeking to make cash payments must go.

This program is supported by marijuana tax revenues and reimbursements from local governments for the administration of their taxes. The Subcommittee's recommended budget for the Marijuana Program is \$4,474,970 Other Funds expenditure limitation and 10 positions (10.00 FTE). The Subcommittee recommendation includes the following package:

Package 090, Analyst Adjustments. This package reduces Other Funds expenditure limitation by \$35,906 to recognize savings from vacating the fifth floor of the Revenue building.

Non-profit Housing For Elderly Persons

The Nonprofit Housing for Elderly Persons program reimburses counties for the costs of a property tax exemption for certain nonprofit homes for the elderly. The nonprofit homes receive the exemption regardless of whether or to what extent the counties are reimbursed for this exemption. The Subcommittee recommended a budget of \$3,792,543 General Fund for this program.

Senior Citizens' Property Tax Deferral Program

The Department administers the Senior Citizens' Property Tax Deferral program, the Senior Citizens' Special Assessment Deferral Program, and the Disabled Citizens' Property Tax Deferral Program. These programs pay the property taxes and special property assessments for qualified senior and disabled citizens in exchange for a lien against the property in the amount of the deferred taxes. The deferred taxes are repaid when either the participant no longer lives in their home, sells the home, or the participant dies. The Subcommittee recommended a budget of \$26,123,197 Other Funds expenditure limitation and nine positions (7.34 FTE). The Subcommittee recommendation includes the following package:

Package 070, Revenue Shortfalls. This package reduces Other Funds expenditure limitation by \$12,569,339 to align budgeted limitation with actual program expenditures.

Information Systems Projects

DOR recently completed a multi-biennia effort to replace their legacy tax processing system with a new, integrated system called GenTax. The Department identified the need to replace core tax systems to improve efficiency, reduce the risk of system failure, and enhance the ability to improve performance and generate revenue. In the 2021–23 biennium, the revised Electronic Valuation Information System (ELVIS) project kicked off in two phases. For the 2021–23 biennium, phase 1 addressed Department of Revenue's (DOR) central assessment program for communications, transportation, utility, and other industries. That phase of the ELVIS project came in at \$1.7 million under the original cost estimate of approximately \$4.2 million. Phase 2 is directed at the appraisal of large industrial properties with over \$1 million of machinery and

equipment that DOR is required to appraise. The estimated cost of phase 2 is \$14 million Other Funds expenditure limitation and is scheduled to go live January of 2026. The Subcommittee recommended a budget of \$6,353,430 Other Funds expenditure limitation. The Subcommittee recommendation includes the following package:

Package 090, Analyst Adjustments. This package provides one-time Other Funds expenditure limitation of \$5,503,430 to carryover bond proceed limitation from the 2023-25 biennium for the ELVIS project.

Capital Debt Service and Related Costs

This program unit includes the total cost of all debt service for the Department. The base budget pays for Core System Replacement and Property Valuation System bonds issued during previous biennia. The Subcommittee recommended a budget of \$5,233,018 General Fund for this program.

Summary of Performance Measure Action

See attached Legislatively Adopted 2025-27 Key Performance Measures form.

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

Department of Revenue
Russ Casler -- 503-302-8155

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
2023-25 Legislatively Approved Budget at Jan 2025 *	\$ 248,901,204	\$ -	\$ 187,084,346	\$ -	\$ -	\$ -	\$ 435,985,550	1,166	1,088.75
2025-27 Current Service Level (CSL)*	\$ 274,479,712	\$ -	\$ 186,375,353	\$ -	\$ -	\$ -	\$ 460,855,065	1,150	1,093.86
SUBCOMMITTEE ADJUSTMENTS (from CSL)									
SCR 003 - Administration									
Package 090: Analyst Adjustments									
Services and Supplies	\$ (1,322,501)	\$ -	\$ (443,424)	\$ -	\$ -	\$ -	\$ (1,765,925)		
Package 801: LFO Analyst Adjustments									
Personal Services	\$ 56,040	\$ -	\$ 20,329	\$ -	\$ -	\$ -	\$ 76,369	0	0.00
SCR 004 - Property Tax Division									
Package 070: Revenue Shortfalls									
Personal Services	\$ 1,285	\$ -	\$ (1,747,716)	\$ -	\$ -	\$ -	\$ (1,746,431)	0	(5.08)
Services and Supplies	\$ (1,285)	\$ -	\$ (361,339)	\$ -	\$ -	\$ -	\$ (362,624)		
Special Payments	\$ -	\$ -	\$ (8,600,516)	\$ -	\$ -	\$ -	\$ (8,600,516)		
Package 090: Analyst Adjustments									
Services and Supplies	\$ (16,690)	\$ -	\$ (341)	\$ -	\$ -	\$ -	\$ (17,031)		
Package 102: Property Tax Division Shortfall									
Personal Services	\$ 1,727,032	\$ -	\$ 19,404	\$ -	\$ -	\$ -	\$ 1,746,436	0	5.08
Package 802: Vacant Position Reductions									
Personal Services	\$ (240,513)	\$ -	\$ (4,908)	\$ -	\$ -	\$ -	\$ (245,421)	(1)	(1.00)
Services and Supplies	\$ (20,906)	\$ -	\$ (427)	\$ -	\$ -	\$ -	\$ (21,333)		
SCR 005 - Personal Tax and Compliance Division									
Package 090: Analyst Adjustments									
Personal Services	\$ (40,415)	\$ -	\$ (825)	\$ -	\$ -	\$ -	\$ (41,240)	(1)	(0.25)
Services and Supplies	\$ (223,635)	\$ -	\$ (5,312)	\$ -	\$ -	\$ -	\$ (228,947)		
Package 801: LFO Analyst Adjustments									
Personal Services	\$ 205,983	\$ -	\$ 7,821	\$ -	\$ -	\$ -	\$ 213,804	0	0.00
Services and Supplies	\$ (332,000)	\$ -	\$ (8,000)	\$ -	\$ -	\$ -	\$ (340,000)		
Package 802: Vacant Position Reductions									
Personal Services	\$ (1,049,575)	\$ -	\$ (17,126)	\$ -	\$ -	\$ -	\$ (1,066,701)	(8)	(5.47)
Services and Supplies	\$ (30,746)	\$ -	\$ (547)	\$ -	\$ -	\$ -	\$ (31,293)		

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
SCR 006 - Business Division									
Package 090: Analyst Adjustments Services and Supplies	\$ (26,479)	\$ -	\$ (5,939)	\$ -	\$ -	\$ -	(32,418)		
Package 801: LFO Analyst Adjustments Personal Services	\$ -	\$ -	\$ 59,700	\$ -	\$ -	\$ -	59,700	0	0.00
Package 802: Vacant Position Reductions Personal Services	\$ (233,150)	\$ -	\$ (12,271)	\$ -	\$ -	\$ -	(245,421)	(1)	(1.00)
Services and Supplies	\$ (5,184)	\$ -	\$ (273)	\$ -	\$ -	\$ -	(5,457)		
SCR 007 - Collection Division									
Package 090: Analyst Adjustments Services and Supplies	\$ (4,190)	\$ -	\$ (2,011)	\$ -	\$ -	\$ -	(6,201)		
Package 106: Paid Leave Oregon, Centralized Personal Services	\$ -	\$ -	\$ 1,783,321	\$ -	\$ -	\$ -	1,783,321	11	9.68
Services and Supplies	\$ -	\$ -	\$ 120,043	\$ -	\$ -	\$ -	120,043		
Package 802: Vacant Position Reductions Personal Services	\$ (347,971)	\$ -	\$ (3,515)	\$ -	\$ -	\$ -	(351,486)	(2)	(2.00)
Services and Supplies	\$ (48,609)	\$ -	\$ (491)	\$ -	\$ -	\$ -	(49,100)		
SCR 008 - Corporate Division									
Package 090: Analyst Adjustments Services and Supplies	\$ -	\$ -	\$ (196,624)	\$ -	\$ -	\$ -	(196,624)		
SCR 009 - Information Technology Services Division									
Package 090: Analyst Adjustments Services and Supplies	\$ (19,204)	\$ -	\$ (5,736)	\$ -	\$ -	\$ -	(24,940)		
Package 101: ELVIS Support Services and Supplies	\$ 496,650	\$ -	\$ 148,350	\$ -	\$ -	\$ -	645,000		
Package 802: Vacant Position Reductions Personal Services	\$ (127,020)	\$ -	\$ (37,941)	\$ -	\$ -	\$ -	(164,961)	(1)	(1.00)
Services and Supplies	\$ (8,403)	\$ -	\$ (2,510)	\$ -	\$ -	\$ -	(10,913)		
SCR 014 - Marijuana Program									
Package 090: Analyst Adjustments Services and Supplies	\$ -	\$ -	\$ (35,906)	\$ -	\$ -	\$ -	(35,906)		
SCR 025 - Sr Citizens Prop Tax Deferral									
Package 070: Revenue Shortfall Special Payments	\$ -	\$ -	\$ (12,569,339)	\$ -	\$ -	\$ -	(12,569,339)		

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
SCR 030 - Information Systems Projects									
Package 090: Analyst Adjustments									
Personal Services	\$ -	\$ -	\$ 1,412,818	\$ -	\$ -	\$ -	\$ 1,412,818	0	0.00
Services and Supplies	\$ -	\$ -	\$ 4,940,612	\$ -	\$ -	\$ -	\$ 4,940,612		
Capital Outlay	\$ -	\$ -	\$ (850,000)	\$ -	\$ -	\$ -	\$ (850,000)		
TOTAL ADJUSTMENTS	\$ (1,611,486)	\$ -	\$ (16,400,639)	\$ -	\$ -	\$ -	\$ (18,012,125)	(3)	(1.04)
SUBCOMMITTEE RECOMMENDATION *	\$ 272,868,226	\$ -	\$ 169,974,714	\$ -	\$ -	\$ -	\$ 442,842,940	1,147	1,092.82
% Change from 2023-25 Leg Approved Budget	9.6%	0.0%	(9.1%)	0.0%	0.0%	0.0%	1.6%	(1.6%)	0.4%
% Change from 2025-27 Current Service Level	(0.6%)	0.0%	(8.8%)	0.0%	0.0%	0.0%	(3.9%)	(0.3%)	(0.1%)

*Excludes Capital Construction Expenditures

Legislatively Approved 2025 - 2027 Key Performance Measures

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Agency: Department of Revenue

Mission Statement:

Together, we collect the revenue that Oregon counts on.

Legislatively Approved KPMs	Metrics	Agency Request	Last Reported Result	Target 2026	Target 2027
1. Average Days to Process Personal Income Tax Refund.		Approved	13	12	12
2. Percent of Personal Income Tax Returns Filed Electronically		Approved	94%	94%	94%
3. Employee Training Per Year (percent receiving 20 hours per year).		Approved	53%	65%	65%
4. Customer Service - Percent of customers rating their satisfaction with the agency's customer service as "good"; or "excellent" based on overall experience, timeliness, accuracy, helpfulness, expertise, and availability of information.	a) Overall	Approved	82%	95%	95%
	b) Availability of Information		83%	95%	95%
	c) Helpfulness		88%	95%	95%
	d) Timeliness		81%	95%	95%
	e) Accuracy		86%	95%	95%
	f) Expertise		88%	95%	95%
5. Effective Taxpayer Assistance - Provide effective taxpayer assistance through a combination of direct assistance and electronic self-help services.		Approved	79	85	85
6. Appraisal Program Equity and Uniformity - We will measure the degree to which county appraisal program equity and uniformity is achieved by determining the percentage of study areas statewide with real market values that are within accepted appraisal standards.		Approved	96%	98%	98%
7. Appraisal Value Uniformity - We will demonstrate our ability to deliver high quality business results by measuring appraisal equity and uniformity for DOR industrial accounts.		Approved	12%	12%	12%
8. Direct Enforcement Dollars Cost of Funds - We will demonstrate our efficiency and effectiveness at funding services that preserve and enhance the quality of life for all citizens by measuring the cost of funds (COF) for every direct enforcement dollar received by our agency.		Approved	\$0.18	\$0.20	\$0.20
9. Collection Dollars Cost of Funds - We will demonstrate our efficiency and effectiveness at funding services that preserve and enhance the quality of life for all citizens by measuring the cost of funds (COF) for every dollar collected by our agency.		Approved	\$0.06	\$0.10	\$0.10
10. Cost of Assessments - We will demonstrate our efficiency and effectiveness of our suspense, audit and filing enforcement functions by measuring the cost of every audit and filing enforcement dollar assessed.		Approved	\$0.06	\$0.10	\$0.10
11. Employee Engagement - Percentage of employees considered actively engaged by a standardized survey.		Approved	45	50	50

LFO Recommendation:

The Legislative Fiscal Office recommends approval of the Key Performance Measures and targets, as proposed.

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SubCommittee Action:

The General Government Subcommittee approved the Key Performance Measures and targets, as presented.

PRELIMINARY