

Value Added Tax (on labor - preliminary)

(effective 1-1-2020):

3/25/2019

1. Create a Value Added Tax

Exempt capital

2. Change PIT rates from 5/7/9/9.9 to 4.5/6.5/8.75/9.9

2020 Levels				
	Baseline	New Equilibrium	Change From Baseline	Percent Change
Private Sector				
Nominal Personal Income (\$M)	\$222,637	\$222,539	-\$98	-0.04%
Nominal per capita Personal Income (\$M)	\$51,417	\$51,394	-\$23	-0.04%
Employment (Thousand)	2,685.0	2,686.5	+1.6	+0.06%
Population (M)	4.330	4.330	+0.000	+0.00%
Investment (\$M)	\$18,554.40	\$18,558.26	+\$4	+0.02%
Wage Index	100.0	99.78	-0.22	-0.22%
Return to Capital	100.0	99.99	-0.01	-0.01%
Price Levels	100.0	100.25	+0.25	+0.25%
Public Sector				
State Spending (\$M)	\$31,491	\$32,470	+\$979	+3.11%
GF Revenue (\$M)	\$9,863.73	\$10,846.25	+\$983	+9.96%
OF Revenue (\$M)	\$21,627.47	\$21,624.22	-\$3	-0.02%
Local Govt Revenue (\$M)	\$19,146.23	\$19,147.67	+\$1	+0.01%
Federal Tax Paid by Oregonians (\$M)	\$40,440.42	\$40,296.36	-\$144	-0.36%

Static Revenue Impact (\$ Millions)	+\$989
Dynamic Revenue Impact (\$ Millions)	-\$8
Net Revenue Impact (\$ Millions)	+\$981
General Fund Change (\$ Millions)	+\$983
Other Funds Change (\$ Millions)	-\$3
Local Revenue Change (\$ Millions)	+\$1

Total Real Disposable Household Income

	Baseline (\$M)	New Equilibrium (\$M)	Difference (\$M)	% Difference	Change in Number of Holds	Mean Income Change per HH (\$)
Above \$205,869	\$40,162	\$40,076	-\$85.6	-0.2%	-197	-\$123
\$137,246 - \$205,869	\$35,370	\$35,296	-\$73.9	-0.2%	-234	-\$180
\$102,934 - \$137,246	\$27,547	\$27,511	-\$35.8	-0.1%	-130	-\$99
\$68,623 - \$102,934	\$33,752	\$33,713	-\$39.4	-0.1%	-111	-\$91
\$48,036 - \$68,623	\$22,269	\$22,259	-\$10.0	0.0%	118	-\$75
\$34,311 - \$48,036	\$15,070	\$15,077	+\$7.4	0.0%	308	-\$72
\$20,587 - \$34,311	\$13,191	\$13,197	+\$6.6	0.0%	322	-\$64
Less than \$20,587	\$11,111	\$11,095	-\$15.7	-0.1%	-66	-\$56
TOTAL	\$198,471	\$198,224	-\$246.5	-0.1%	10	

