

TABLE 2: INDEX OF TAX EXPENDITURES BY PROGRAM/FUNCTION

| Tax Expenditure | Type | Year Enacted | Oregon Statute | Revenue Impact (\$ Thousands) | | |
|------------------------|---|--------------|----------------|----------------------------------|--------------|--------------|
| | | | | 2001-03 | 2003-05 | |
| EDUCATION | | | | | | |
| <i>Income Tax</i> | | | | | | |
| 1.001 | Scholarship and Fellowship Income | Exclusion | 1954 | 316.048 | 9,600 | 11,200 |
| 1.002 | Interest on Education Savings Bonds | Exclusion | 1988 | 316.048 | 100 | 200 |
| 1.003 | Earnings on Education Savings Accounts | Exclusion | 1997 | 316.048 | 2,200 | 4,000 |
| 1.004 | Qualified Tuition Programs (Federal) | Exclusion | 1996 | 316.048 | 1,000 | 1,700 |
| 1.065 | Interest on Student Loans | Deduction | 1997 | 316.048 | 6,100 | 8,000 |
| 1.066 | Charitable Contributions: Education | Deduction | 1917 | 316.695/317.013 | 44,400 | 52,900 |
| 1.067 | Qualified Higher Education Expenses | Deduction | 2001 | 316.048 | 11,200 | 24,100 |
| 1.112 | Land Donated to Schools | Subtraction | 1999 | 316.852/317.488 | Less than 50 | Less than 50 |
| 1.113 | Oregon Qualified Tuition Savings | Subtraction | 1999 | 348.844/316.680 | 4,700 | 9,700 |
| 1.114 | Scholarship Awards Used for Housing Expenses | Subtraction | 1999 | 316.846 | Less than 50 | Less than 50 |
| 1.137 | Child Development Program Contributions | Credit | 1991 | 315.234 | Less than 50 | 0 |
| 1.138 | Youth Apprenticeship Sponsorship | Credit | 1991 | 315.254 | 0 | 0 |
| 1.139 | Contributions of Computer Equipment | Credit | 1985 | 317.151 | 100 | 100 |
| 1.140 | Employer Provided Scholarships | Credit | 2001 | 315.237 | Less than 50 | 200 |
| <i>Property Tax</i> | | | | | | |
| 2.001 | Academies, Day Care and Student Housing | Full | 1957 | 307.145 | 15,000 | 16,300 |
| 2.002 | Fraternalities, Sororities, Cooperatives | Partial | 1973 | 307.460 | 470 | 500 |
| 2.003 | Student Housing Furnishings | Full | 1957 | 307.195 | 80 | 80 |
| 2.004 | Leased Student Housing Publicly Owned | Full | 1947 | 307.110(3)(a) | 10,800 | 11,500 |
| 2.005 | Higher Education Parking Space | Full | 1989 | 307.095(3) | 4,000 | 4,200 |
| 2.006 | Private Libraries for Public Use | Full | 1854 | 307.160 | Less than 50 | Less than 50 |
| HUMAN RESOURCES | | | | | | |
| <i>Income Tax</i> | | | | | | |
| 1.005 | Public Assistance Benefits | Exclusion | Pre-1955 | 316.048 | 9,800 | 10,100 |
| 1.006 | Certain Foster Care Payments | Exclusion | 1982 | 316.048 | 3,500 | 4,200 |
| 1.007 | Employee Adoption Benefits | Exclusion | 1996 | 316.048 | Less than 50 | Less than 50 |
| 1.008 | Cafeteria Plan Benefits | Exclusion | 1974 | 316.048 | 87,000 | 108,500 |
| 1.009 | Employer Paid Medical Benefits | Exclusion | 1918 | 316.048 | 532,800 | 634,400 |
| 1.010 | Compensatory Damages | Exclusion | Pre-1955 | 316.048 | 200 | 200 |
| 1.011 | Pension Contributions and Earnings | Exclusion | 1921 | 316.048 | 611,900 | 633,900 |
| 1.012 | Hospital Insurance (Part A) | Exclusion | 1965 | 316.048 | 132,400 | 158,300 |
| 1.013 | Supplementary Medical Insurance (Part B) | Exclusion | 1970 | 316.048 | 78,500 | 96,400 |
| 1.014 | Special Benefits for Disabled Coal Miners | Exclusion | 1969 | 316.048 | Less than 50 | Less than 50 |
| 1.015 | Social Security Benefits (Federal) | Exclusion | 1938 | 316.048 | 226,900 | 238,600 |
| 1.068 | Charitable Contributions: Health | Deduction | 1917 | 316.695/317.013 | 32,700 | 39,000 |
| 1.069 | Medical and Dental Expenses | Deduction | 1942 | 316.695 | 116,900 | 140,700 |
| 1.070 | Self-Employment Health Insurance | Deduction | 1986 | 316.048 | 23,700 | 36,800 |
| 1.071 | Medical Savings Accounts (Federal) | Deduction | 1996 | 316.048 | 400 | 400 |
| 1.072 | IRA Contributions and Earnings | Deduction | 1974 | 316.048 | 97,900 | 114,000 |
| 1.073 | Keogh Plan Contributions and Earnings | Deduction | 1962 | 316.048 | 39,400 | 42,400 |
| 1.074 | Removal of Architectural Barriers | Deduction | 1976 | 316.048/317.013 | Less than 50 | Less than 50 |
| 1.116 | JOBS Plus Participants | Subtraction | 1995 | 316.680(1)(e) | Less than 50 | Less than 50 |
| 1.117 | Medical Savings Accounts (Oregon) | Subtraction | 1997 | 316.743 | Less than 50 | 0 |
| 1.118 | Physicians in "Medically Disadvantaged" Areas | Subtraction | 1973 | 316.076 | 0 | 0 |
| 1.119 | Additional Deduction for Elderly or Blind | Subtraction | 1989 | 316.695(7) | 10,800 | 8,700 |

Table 2: Index of Tax Expenditures by Program/Function (cont.)

| Tax Expenditure | Type | Year Enacted | Oregon Statute | Revenue Impact (\$ Thousands) | |
|--|-------------|--------------|-------------------|----------------------------------|--------------|
| | | | | 2001-03 | 2003-05 |
| 1.120 Additional Medical Deduction for Elderly | Subtraction | 1991 | 316.695 (1)(d)(B) | 64,300 | 72,200 |
| 1.121 Social Security Benefits (Oregon) | Subtraction | 1985 | 316.054 | 220,300 | 249,500 |
| 1.142 Earned Income Credit | Credit | 1997 | 315.266 | 16,400 | 17,200 |
| 1.143 Qualified Adoption Expense | Credit | 1999 | 315.274 | 900 | 900 |
| 1.144 Bone Marrow Transplant Expense | Credit | 1991 | 315.604 | Less than 50 | Less than 50 |
| 1.145 Rural Medical Practice | Credit | 1989 | 316.143 | 9,100 | 9,900 |
| 1.146 Costs in lieu of Nursing Home Care | Credit | 1979 | 316.147-316.149 | Less than 50 | Less than 50 |
| 1.147 Long-Term Care Insurance | Credit | 1999 | 315.610 | 100 | 100 |
| 1.148 Disabled Child | Credit | 1985 | 316.099 | 3,000 | 3,400 |
| 1.149 Elderly or Permanently Disabled | Credit | 1969 | 316.087 | 100 | 100 |
| 1.150 Loss of Limbs | Credit | 1973 | 316.079 | Less than 50 | Less than 50 |
| 1.151 Severe Disability | Credit | 1985 | 316.758/316.765 | 4,700 | 6,000 |

Property Tax

| | | | | | |
|--|----------|------|-----------------|--------------|--------------|
| 2.007 Leased Health Care Property | Full | 1999 | 307.110(3)(i) | Less than 50 | Less than 50 |
| 2.008 Rural Health Care Facilities | Full | 2001 | 307.804 | Less than 50 | Less than 50 |
| 2.009 Long-Term Care Facilities | Partial | 1999 | 307.808 | Less than 50 | Less than 50 |
| 2.010 Senior Services Centers | Full | 1993 | 307.147 | 70 | 80 |
| 2.011 Senior and Disabled Deferral Program | Deferral | 1963 | 311.668/311.704 | -11,300 | -6,200 |

ECONOMIC AND COMMUNITY DEVELOPMENT

Income Tax

| | | | | | |
|--|-----------|----------|-----------------|--------------|--------------|
| 1.016 Accelerated Depreciation of Buildings | Exclusion | 1954 | 316.048/317.013 | 8,800 | 7,500 |
| 1.017 Accelerated Depreciation of Equipment | Exclusion | 1954 | 316.048/317.013 | 284,100 | 275,700 |
| 1.018 Income Earned Abroad by U.S. Citizens | Exclusion | 1926 | 316.048 | 19,800 | 23,500 |
| 1.019 Inventory Property Sales Source-Rule Exception | Exclusion | 1921 | 317.013 | 21,500 | 24,900 |
| 1.020 Magazine, Paperback, and Record Returns | Exclusion | 1978 | 316.048/317.013 | 100 | 100 |
| 1.021 Cash Accounting, Other than Agriculture | Exclusion | 1916 | 316.048/317.013 | 2,000 | 2,300 |
| 1.022 Regional Economic Development Incentives | Exclusion | 1993 | 316.048/317.013 | 100 | 100 |
| 1.023 Income of Controlled Foreign Corporations | Exclusion | 1909 | 317.013 | 18,400 | 20,800 |
| 1.024 Extraterritorial Income Exclusion | Exclusion | 2000 | 316.048/317.013 | 19,000 | 24,900 |
| 1.025 Cancellation of Debt for Non-Farmers | Exclusion | Pre-1955 | 316.048/317.013 | Less than 50 | Less than 50 |
| 1.026 Employer Paid Group Life Insurance Premiums | Exclusion | 1920 | 316.048 | 17,400 | 19,600 |
| 1.027 Employer Paid Accident and Disability Insurance | Exclusion | 1954 | 316.048 | 17,500 | 20,300 |
| 1.028 Employer Provided Dependent Care | Exclusion | 1981 | 316.048 | 5,000 | 6,500 |
| 1.029 Miscellaneous Fringe Benefits | Exclusion | 1984 | 316.048 | 45,100 | 48,500 |
| 1.030 Employee Meals and Lodging (Non-Military) | Exclusion | 1918 | 316.048 | 6,300 | 7,000 |
| 1.031 Employee Stock Ownership Plans | Exclusion | 1974 | 316.048/317.013 | 5,200 | 6,100 |
| 1.032 Employee Awards | Exclusion | 1986 | 316.048 | 800 | 800 |
| 1.033 Employer Provided Education Benefits | Exclusion | 1997 | 316.048 | 4,200 | 6,100 |
| 1.034 Spread on Acquisition of Stock | Exclusion | 1981 | 316.048 | 3,800 | 5,900 |
| 1.035 Accelerated Depreciation of Rental Housing | Exclusion | 1954 | 316.048/317.013 | 18,800 | 22,300 |
| 1.036 Capital Gains on Home Sales | Exclusion | 1997 | 316.048 | 129,700 | 140,900 |
| 1.037 Veteran's Benefits and Services | Exclusion | 1917 | 316.048 | 22,700 | 24,500 |
| 1.038 Military and Dependents CHAMPUS/TRICARE Insurance | Exclusion | 1925 | 316.048 | 14,800 | 15,700 |
| 1.075 Deferral of Certain Financing Income of Foreign Corporations | Deduction | 1997 | 317.013 | 2,100 | 100 |
| 1.076 Research and Development Costs | Deduction | 1954 | 316.048/317.013 | 19,100 | 20,700 |
| 1.077 Section 179 Expensing Allowances | Deduction | 1959 | 316.048/317.013 | 10,300 | 7,000 |

Table 2: Index of Tax Expenditures by Program/Function (cont.)

| Tax Expenditure | Type | Year Enacted | Oregon Statute | Revenue Impact (\$ Thousands) | |
|--|-------------|--------------|-----------------|----------------------------------|----------------|
| | | | | 2001-03 | 2003-05 |
| 1.078 Amortization of Business Start-Up Costs | Deduction | 1980 | 316.048/317.013 | 3,500 | 3,700 |
| 1.079 Construction Funds of Shipping Companies | Deduction | 1936 | 317.013 | 1,200 | 1,200 |
| 1.080 Ordinary Treatment of Losses from Small Business Corporation Stock | Deduction | 1958 | 316.048 | 300 | 300 |
| 1.081 Moving Expenses | Deduction | 1964 | 316.048 | 3,400 | 3,400 |
| 1.082 Property Taxes | Deduction | 1913 | 316.695 | 208,000 | 233,700 |
| 1.083 Home Mortgage Interest | Deduction | 1913 | 316.695 | 786,500 | 882,000 |
| 1.108 Expatriate Residential Status | Subtraction | 1999 | 316.027 | 1,600 | 1,600 |
| 1.115 Individual Development Accounts | Subtraction | 1999 | 316.848 | Less than 50 | Less than 50 |
| 1.122 Donations of Art by the Artist | Subtraction | 1979 | 316.838 | Less than 50 | Less than 50 |
| 1.123 Capital Gains from Oregon Reinvestment | Subtraction | 1995 | 316.874 | 0 | 0 |
| 1.124 Municipal Bond Interest | Subtraction | 1987 | 316.056 | 6,400 | 6,400 |
| 1.125 Out-of-State Financial Institution | Subtraction | 1999 | 317.057 | Not available | Not available |
| 1.126 Service in Vietnam on Missing Status | Subtraction | 1973 | 316.074 | 0 | 0 |
| 1.141 Individual Development Accounts (Credit) | Credit | 1999 | 315.271 | 400 | 800 |
| 1.152 Oregon Capital Corporation Investments | Credit | 1987 | 315.504 | 0 | 0 |
| 1.153 Qualified Research Activities | Credit | 1989 | 317.152 | 14,100 | 7,700 |
| 1.154 Qualified Research Activities (Alternative) | Credit | 1989 | 317.154 | Incl. in 1.153 | Incl. in 1.153 |
| 1.155 Investment in Rural Enterprise Zones (Income Tax) | Credit | 1997 | Note: 285B.689 | Less than 50 | Less than 50 |
| 1.156 Reservation Enterprise Zones (Income Tax) | Credit | 2001 | 285B.773 | Less than 50 | Less than 50 |
| 1.157 Small City Business Development | Credit | 2001 | 316.778 | Less than 50 | Less than 50 |
| 1.158 Electronic Commerce Enterprise Zones (Income Tax) | Credit | 2001 | 315.507 | 600 | 5,300 |
| 1.159 Investment in Telecommunications Infrastructure | Credit | 2001 | 315.511 | Less than 50 | 4,000 |
| 1.160 Child and Dependent Care | Credit | 1975 | 316.078 | 10,200 | 9,800 |
| 1.161 Working Family Child Care | Credit | 1997 | 315.262 | 13,500 | 31,100 |
| 1.162 Dependent Care Assistance | Credit | 1987 | 315.204 | 1,100 | 700 |
| 1.163 Dependent Care Facilities | Credit | 1987 | 315.208 | Incl. in 1.162 | Incl. in 1.162 |
| 1.164 First Break Program | Credit | 1995 | 315.259 | 100 | 100 |
| 1.165 Child Care Division Contributions | Credit | 2001 | 315.213 | 500 | 1,000 |
| 1.166 Farm-Worker Housing Construction | Credit | 1989 | 315.164 | 700 | 1,600 |
| 1.167 Farm-Worker Housing Lender's Credit | Credit | 1989 | 317.147 | 900 | 1,200 |
| 1.168 Involuntary Mobile Home Moves | Credit | 1991 | 316.153 | Less than 50 | Less than 50 |
| 1.169 Oregon Affordable Housing Credit | Credit | 1989 | 317.097 | 8,000 | 9,600 |

Property Tax

| | | | | | |
|---|---------|------|---------------------|---------|---------|
| 2.012 Enterprise Zones Businesses | Full | 1985 | 285B.698 | 33,500 | 38,300 |
| 2.013 Long-Term Rural Enterprise Zones (Property Tax) | Full | 1997 | Note: 285B.689 | 1,200 | 1,300 |
| 2.014 Commercial Buildings Under Construction | Full | 1959 | 307.340 | 43,900 | 45,100 |
| 2.015 Strategic Investment Program (SIP) | Partial | 1993 | 307.123 | 106,000 | 196,500 |
| 2.016 Inventory | Full | 1969 | 307.400 | 562,600 | 604,800 |
| 2.017 Business Personal Property Cancellation | Full | 1979 | 308.250(2) | 8,300 | 10,000 |
| 2.018 Cargo Containers | Full | 1979 | 307.850 | 600 | 0 |
| 2.019 Leased Docks & Airports | Full | 1947 | 307.120 | 8,400 | 9,500 |
| 2.020 Leased Publicly Owned Shipyard Property | Full | 1995 | 307.111 | 3,100 | 3,400 |
| 2.021 Ship Repair Facility Materials | Full | 1957 | 308.256(7) | 0 | 0 |
| 2.022 Aircraft Being Repaired | Full | 1995 | 308.559 | 0 | 0 |
| 2.023 Railroad Cars Being Repaired | Full | 1973 | 308.665 | 0 | 0 |
| 2.024 Recreation Facility on Federal Land | Partial | 1975 | 307.182 | 1,600 | 1,700 |
| 2.025 Defense Contractor With Federal Property | Full | 1965 | 307.065 | 0 | 0 |
| 2.026 Electronic Commerce Enterprise Zones (Property Tax) | Full | 2001 | 285B.672 & 285B.698 | 200 | 500 |
| 2.027 Vertical Housing Development Zones | Partial | 2001 | 285B.825 | 100 | 400 |
| 2.028 Industry Apprenticeship/Training Trust | Full | 1983 | 307.580 | 100 | 100 |

Table 2: Index of Tax Expenditures by Program/Function (cont.)

| Tax Expenditure | Type | Year Enacted | Oregon Statute | Revenue Impact (\$ Thousands) | | |
|-----------------|---|--------------|----------------|----------------------------------|----------------|----------------|
| | | | | 2001-03 | 2003-05 | |
| 2.029 | Fairground Leased Storage Space | Full | 1987 | 307.110(3)(d)(e) | Less than 50 | Less than 50 |
| 2.030 | New Houses in Distressed Area | Part/Full | 1989 | 458.020 | 3,300 | 3,800 |
| 2.031 | Rehabilitated Housing | Part/Full | 1975 | 308.459 | 800 | 800 |
| 2.032 | Multi-Family Rental Housing in City Core | Part/Full | 1975 | 307.630 | 7,100 | 7,900 |
| 2.033 | Low-Income Multi-Unit Housing | Full | 1999 | 307.605(4)(a) | Incl. in 2.032 | Incl. in 2.032 |
| 2.034 | New Housing for Low-Income Rental | Part/Full | 1989 | 307.517/307.518 | 700 | 780 |
| 2.035 | Housing Authority Rental Units | Full | 1991 | 456.225 | 22,700 | 25,400 |
| 2.036 | Nonprofit Low-Income Rental Housing | Part/Full | 1985 | 307.541 | 5,500 | 6,500 |
| 2.037 | Nonprofit Housing for the Elderly | Special | 1969 | 308.490 | Less than 50 | Less than 50 |
| 2.038 | Nonprofit Elderly Housing State Funded | Full | 1977 | 307.242 | 2,200 | 2,400 |
| 2.039 | Farm Labor Housing and Day Care Centers | Full | 1973 | 307.485 | 420 | 470 |
| 2.040 | Federal Land Under Summer Homes | Partial | 1975 | 307.183/307.184 | 1,100 | 1,200 |
| 2.041 | Multi-Unit Rental Housing Assessment | Special | 2001 | 308.704 | 800 | 2,000 |
| 2.042 | War Veterans and Their Spouses | Partial | 1921 | 307.250 | 13,500 | 14,500 |
| 2.043 | War Veterans in Nonprofit Elderly Housing | Partial | 1969 | 307.370 | 60 | 60 |

Beer and Wine Tax

| | | | | | | |
|-------|---------------------------|-----------|------|------------|-------|-------|
| 8.001 | Small Wineries | Exclusion | 1977 | 473.050(5) | 1,500 | 1,600 |
| 8.002 | Wine Marketing Activities | Exclusion | 2001 | 473.047 | 100 | 300 |

Dry Cleaning Fee/Tax

| | | | | | | |
|--------|--|-----------|------|---------------|--------------|--------------|
| 13.001 | Dry Store Selling Less than \$50,000 | Exclusion | 1995 | 465.200(6)(d) | Less than 50 | 0 |
| 13.002 | Uniform Service or Linen Supply Facility | Exclusion | 1995 | 465.200(6)(b) | Less than 50 | Less than 50 |

NATURAL RESOURCES

Income Tax

| | | | | | | |
|-------|--|-------------|------|-----------------|--------------|--------------|
| 1.039 | Agriculture Cost-Sharing Payments | Exclusion | 1978 | 316.048/317.013 | 200 | 200 |
| 1.040 | Cancellation of Debt for Farmers | Exclusion | 1986 | 316.048 | 400 | 400 |
| 1.041 | Energy Conservation Subsidies (Federal) | Exclusion | 1992 | 316.048 | 100 | 100 |
| 1.084 | Cash Accounting for Agriculture | Deduction | 1916 | 316.048/317.013 | 4,300 | 3,400 |
| 1.085 | Soil and Water Conservation Expenditures | Deduction | 1954 | 316.048/317.013 | 300 | 300 |
| 1.086 | Fertilizer and Soil Conditioner Costs | Deduction | 1960 | 316.048/317.013 | 1,200 | 1,200 |
| 1.087 | Costs of Raising Dairy and Breeding Cattle | Deduction | 1916 | 316.048/317.013 | 200 | 200 |
| 1.088 | Sale of Stock to Farmer's Cooperatives | Deduction | 1998 | 316.048/317.013 | Less than 50 | Less than 50 |
| 1.089 | Redevelopment Costs in Contaminated Areas | Deduction | 1997 | 316.048/317.013 | 800 | 100 |
| 1.090 | Clean-Fuel Vehicles and Refueling Property | Deduction | 1993 | 316.048/317.013 | Less than 50 | Less than 50 |
| 1.091 | Intangible Development Costs for Fuels | Deduction | 1978 | 316.695/317.013 | Less than 50 | Less than 50 |
| 1.092 | Depletion Costs for Natural Resources | Deduction | 1962 | 316.695/317.013 | Less than 50 | Less than 50 |
| 1.093 | Tertiary Injectants | Deduction | 1980 | 316.695/317.013 | Less than 50 | Less than 50 |
| 1.094 | Multi-Period Timber Growing Costs | Deduction | 1986 | 316.048/317.013 | 8,100 | 8,200 |
| 1.095 | Amortization of Reforestation Expenditures | Deduction | 1980 | 316.048/317.013 | 300 | 300 |
| 1.096 | Development Costs for Nonfuel Minerals | Deduction | 1951 | 316.048/317.013 | 300 | 300 |
| 1.097 | Depletion Costs for Nonfuel Minerals | Deduction | 1913 | 316.048/317.013 | 1,100 | 1,100 |
| 1.098 | Mining Reclamation Reserves | Deduction | 1984 | 316.048/317.013 | 200 | 200 |
| 1.109 | Income Averaging for Farmers | Subtraction | 2001 | 314.297 | 100 | 100 |
| 1.110 | Capital Gains from Farm Property | Subtraction | 2001 | 318.020/317.063 | Less than 50 | 200 |
| 1.127 | Oil Heat Tank Cleanup Costs | Subtraction | 1991 | 316.746 | 0 | 0 |
| 1.128 | Underground Storage Tank Grants | Subtraction | 1991 | 316.834/317.383 | 0 | 0 |
| 1.129 | Energy Conservation Subsidies (Oregon) | Subtraction | 1981 | 316.744/317.386 | 200 | 200 |

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| Tax Expenditure | Type | Year Enacted | Oregon Statute | Revenue Impact (\$ Thousands) | | |
|--|---------|--------------|-----------------|----------------------------------|----------------|--|
| | | | | 2001-03 | 2003-05 | |
| 1.170 Crop Gleaning | Credit | 1977 | 315.156 | Less than 50 | Less than 50 | |
| 1.171 Alternatives to Field Burning | Credit | 1975 | 468.150 | Incl. in 1.175 | Incl. in 1.175 | |
| 1.172 Farm Machinery and Equipment (Income) | Credit | 2001 | 315.119/315.123 | 400 | 1,400 | |
| 1.173 Riparian Lands Removed from Farm Production | Credit | 2001 | 315.113 | 0 | Less than 50 | |
| 1.174 Pollution Prevention | Credit | 1995 | 315.311 | 100 | 100 | |
| 1.175 Pollution Control | Credit | 1967 | 315.304 | 28,200 | 22,800 | |
| 1.176 Reclaimed Plastics | Credit | 1985 | 315.324 | 100 | 100 | |
| 1.177 Sewer Connection | Credit | 1987 | 316.095 | 100 | 100 | |
| 1.178 Fish Habitat Improvement | Credit | 1981 | 315.134 | Less than 50 | 0 | |
| 1.179 Fish Screening Devices | Credit | 1989 | 315.138 | Less than 50 | Less than 50 | |
| 1.180 Alternative Energy Devices (Residential) | Credit | 1977 | 316.116/317.115 | 7,600 | 8,200 | |
| 1.181 Business Energy Facilities | Credit | 1979 | 315.354 | 14,400 | 19,700 | |
| 1.182 Energy Conservation Lender's Credit | Credit | 1981 | 317.112 | Less than 50 | Less than 50 | |
| 1.183 Geothermal Heating System Connection | Credit | 1979 | 316.086 | Less than 50 | 0 | |
| 1.184 Reforestation | Credit | 1979 | 315.104 | 500 | 1,300 | |
| <i>Property Tax</i> | | | | | | |
| 2.044 Farm Land | Special | 1967 | 308A.050 | 168,200 | 172,700 | |
| 2.045 Farm Homesites | Special | 1987 | 308A.253 | 4,700 | 4,800 | |
| 2.046 Farm Machinery and Equipment (Property) | Full | 1973 | 307.394 | 55,100 | 57,600 | |
| 2.047 Mobile Field Incinerators | Full | 1971 | 307.390 | Less than 50 | Less than 50 | |
| 2.048 Agricultural Commodity Cleaning Property | Partial | 1999 | 307.120 | 100 | 100 | |
| 2.049 Crops, Plants and Fruit Trees | Full | 1957 | 307.320 | 20,500 | 20,900 | |
| 2.050 Agricultural Products Held by Farmer | Full | 1965 | 307.325 | 100 | 100 | |
| 2.051 Nursery Stock | Full | 1971 | 307.315 | 4,800 | 5,500 | |
| 2.052 Leased Public Farming and Grazing Land | Full | 1971 | 307.110(3)(b) | Incl. in 2.100 | Incl. in 2.100 | |
| 2.053 Leased Federal Grazing Land | Full | 1961 | 307.060 | Incl. in 2.114 | Incl. in 2.114 | |
| 2.054 Oyster Growing on State Land | Full | 1969 | 622.290 | Less than 50 | Less than 50 | |
| 2.055 Center Pivot Irrigation Equipment | Full | 1973 | 307.398 | Incl. in 2.046 | Incl. in 2.046 | |
| 2.056 Other Farm/Aquaculture/Egg Equipment | Full | 1973 | 307.397 | Incl. in 2.046 | Incl. in 2.046 | |
| 2.057 Field Burning Smoke Management Equipment | Full | 1973 | 307.391 | Less than 50 | Less than 50 | |
| 2.058 Pollution Control Facilities | Partial | 1967 | 307.405 | Less than 50 | Less than 50 | |
| 2.059 Nonprofit Sewage Treatment Facilities | Full | 1997 | 307.118 | Less than 50 | Less than 50 | |
| 2.060 Riparian Habitat Land | Full | 1981 | 308A.362 | Less than 50 | Less than 50 | |
| 2.061 Environmentally Sensitive Logging Equipment | Full | 1999 | 307.827/307.831 | 5,500 | 5,800 | |
| 2.062 Ethanol Production Facility | Partial | 1993 | 307.701 | 0 | 0 | |
| 2.063 Alternative Energy Systems | Partial | 1975 | 307.175 | 3,900 | 4,200 | |
| 2.064 State and Local Standing Timber Under Contract | Full | 1965 | 307.100 | 2,900 | 2,800 | |
| 2.065 Western Private Forestland | Special | 1977 | 321.352 | 56,700 | 38,000 | |
| 2.066 Western Private Standing Timber | Full | 1977 | 321.272 | 472,900 | 449,500 | |
| 2.067 Western Small Tract Option | Special | 1961 | 321.720 | 4,700 | 4,900 | |
| 2.068 Eastern Private Forestland | Special | 1971 | 321.810 | 7,600 | 4,000 | |
| 2.069 Eastern Private Standing Timber | Full | 1961 | 321.420 | 63,800 | 61,800 | |
| 2.070 Forest Homesites | Special | 1989 | 308A.256 | 3,500 | 3,700 | |
| 2.071 Federal Standing Timber Under Contract | Full | 1965 | 307.050 | 6,600 | 6,300 | |
| 2.072 Private Farm and Logging Roads | Full | 1963 | 308.236 | 35,000 | 37,700 | |
| 2.073 Forest Fire Protection Association | Full | 1957 | 307.125 | 300 | 300 | |
| 2.074 Inactive Mineral Interests | Full | 1997 | 308.115 | 100 | 100 | |
| 2.075 Leased State Land Board Land | Full | 1982 | 307.168 | 420 | 450 | |
| 2.076 Crab Pots | Full | 1969 | 508.270 | 310 | 340 | |
| 2.077 Pleasure Boats | Full | 1959 | 830.790(2) | 31,900 | 31,900 | |
| 2.078 Watercraft Locally Assessed | Partial | 1925 | 308.256 | 2,600 | 2,800 | |

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|--|-----------|--------------|---------------------------|----------------------------------|---------------|--|
| | | | | 2001-03 | 2003-05 | |
| 2.079 Wildlife Habitat Conservation Plans | Partial | 1993 | 308A.743 | 200 | 200 | |
| 2.080 Watercraft Centrally Assessed | Partial | 1925 | 308.515 | Not available | Not available | |
| 2.081 Nonprofit Public Park Use Land | Full | 1971 | 307.115 | 160 | 180 | |
| 2.082 Open Space Land | Special | 1971 | 308A.300 | 800 | 900 | |
| 2.083 Historic Property | Partial | 1975 | 358.505 | 15,600 | 16,900 | |
| 2.084 Land Used as Golf Course and Effluent | Full | 2001 | 307.118 | Less than 50 | Less than 50 | |
| 2.085 Nonprofit Water Associations | Full | Pre-1953 | 307.210 | 370 | 390 | |
| <i>Gas, Use, Jet and Aviation Fuel Taxes</i> | | | | | | |
| 3.001 Forest Products -- Gasoline | Exclusion | Pre-1953 | 319.320(1)(d) | 0 | 0 | |
| 3.002 Forest Products -- Other than Gasoline | Exclusion | 1965 | 319.831(1)(g) | 0 | 0 | |
| <i>Weight-Mile Tax</i> | | | | | | |
| 4.001 Farming Operations | Exclusion | 1983 | 825.017(4,18)/ 825.024 | 2,600 | 2,800 | |
| 4.002 Forest Products on County Roads | Exclusion | 1977 | 825.017(8) | 0 | 0 | |
| <i>Forest Products Harvest Tax</i> | | | | | | |
| 10.001 First 25,000 Board Feet | Exclusion | 1953 | 321.015(6) | 700 | 700 | |
| <i>Electric Cooperative Tax</i> | | | | | | |
| 11.001 Revenue from Government Leased Lines | Exclusion | 1969 | 308.805 | 60 | 60 | |
| <i>Oil and Gas Severance Tax</i> | | | | | | |
| 15.001 First \$3,000 in Gross Sales Value | Exclusion | 1981 | 324.080 | Less than 50 | Less than 50 | |
| 15.002 Credit for Property Taxes Paid | Credit | 1981 | 324.090(2) | Less than 50 | Less than 50 | |
| TRANSPORTATION | | | | | | |
| <i>Income Tax</i> | | | | | | |
| 1.042 Contributions in Aid of Construction for Utilities | Exclusion | 1996 | 317.013 | 100 | 100 | |
| 1.043 Employer Paid Transportation Benefits | Exclusion | 1992 | 316.048 | 26,100 | 27,700 | |
| <i>Property Tax</i> | | | | | | |
| 2.086 Nonprofit Electrical Distribution Associations | Full | Pre-1953 | 308.805 | 12,500 | 13,500 | |
| 2.087 Nonprofit Telephone Associations | Full | Pre-1953 | 307.220 | Less than 50 | Less than 50 | |
| 2.088 Private Service Telephone Equipment | Full | Pre-1953 | 307.230 | Less than 50 | Less than 50 | |
| 2.089 Railroad Way Used for Alternative Transport | Full | 1977 | 307.205 | 0 | 0 | |
| 2.090 Railroad Right-of-Way in Water District | Partial | 1943 | 264.110 | Less than 50 | Less than 50 | |
| 2.091 Railroad Way in Highway Lighting District | Partial | Pre-1953 | 372.190 | Not available | Not available | |
| 2.092 Railroad Right of Way in Rural Fire District | Partial | 1969 | 478.010(2)(d) | 600 | 660 | |
| 2.093 Motor Vehicles and Trailers | Full | 1919 | 803.585 | 536,000 | 558,000 | |
| 2.094 Aircraft | Part/Full | 1987 | 308.558/308.565 | 8,100 | 9,000 | |
| 2.095 ODOT Land Under Use Permit | Full | 1981 | 307.110(3)(c) | Less than 50 | Less than 50 | |

Table 2: Index of Tax Expenditures by Program/Function (cont.)

| Tax Expenditure | Type | Year Enacted | Oregon Statute | Revenue Impact (\$ Thousands) | | |
|--------------------------------|--|--------------|----------------|----------------------------------|---------------|---------------|
| | | | | 2001-03 | 2003-05 | |
| INSURANCE AND FINANCIAL | | | | | | |
| <i>Income Tax</i> | | | | | | |
| 1.044 | Life Insurance Investment Income | Exclusion | 1913 | 316.048/317.013 | 172,000 | 187,200 |
| 1.045 | Workers' Compensation Benefits (Non-Medical) | Exclusion | 1918 | 316.048 | 41,100 | 45,600 |
| 1.046 | Workers' Compensation Benefits (Medical) | Exclusion | 1918 | 316.048 | 28,000 | 29,700 |
| 1.047 | Credit Union Income | Exclusion | 1951 | 317.013 | 3,800 | 4,100 |
| 1.048 | Life Insurance Company Reserves | Exclusion | 1984 | 317.013 | 5,400 | 5,800 |
| 1.049 | Structured Settlement Accounts | Exclusion | 1982 | 317.013 | Less than 50 | Less than 50 |
| 1.050 | Small Property Insurance Companies | Exclusion | 1986 | 317.013 | Less than 50 | Less than 50 |
| 1.099 | Bad Debt Reserves of Financial Institutions | Deduction | 1947 | 317.013 | Less than 50 | 100 |
| 1.100 | Small Life Insurance Companies | Deduction | 1984 | 317.013 | Less than 50 | Less than 50 |
| 1.101 | Unpaid Loss Reserves | Deduction | 1986 | 317.013 | 12,900 | 13,300 |
| 1.102 | Blue Cross/Blue Shield and Other Nonprofits | Deduction | 1986 | 317.013 | Not available | Not available |
| 1.130 | Wet Marine and Transportation Policies (Income Tax) | Subtraction | 1995 | 317.080(6) | 400 | 400 |
| 1.185 | Fire Insurance Credit | Credit | 1969 | 317.122(1) | 3,400 | 3,600 |
| 1.186 | Workers' Compensation Assessments (Income Tax) | Credit | 1995 | 317.122(2) | 5,900 | 6,100 |
| 1.187 | Oregon IGA Assessments (Income Tax) | Credit | 1977 | 734.575 | 4,700 | 5,700 |
| 1.188 | Oregon Life and Health IGA Assessments (Income Tax) | Credit | 1975 | 734.835 | 7,000 | 7,000 |
| <i>Insurance Taxes</i> | | | | | | |
| 5.001 | Annuity Policies Exempted | Exclusion | 1967 | 731.816 | 4,000 | 0 |
| 5.002 | Wet Marine and Transportation Policies (Gross Premium) | Exclusion | 1967 | 731.816 | Less than 50 | 0 |
| 5.003 | Educational and Scientific Institutions | Exclusion | 1967 | 731.816 | Not available | Not available |
| 5.004 | Workers' Compensation Assessments (Gross Premium) | Credit | 1965 | 731.832 | 1,500 | 0 |
| 5.005 | Oregon IGA Assessments (Gross Premium) | Credit | 1977 | 734.575 | 2,700 | 0 |
| 5.006 | Oregon Life and Health IGA Assessments (Gross Premium) | Credit | 1975 | 734.835 | 1,800 | 0 |
| 5.007 | Oregon IGA Assessments (Fire Marshal) | Credit | 1977 | 734.575 | 1,100 | 4,500 |
| TAX ADMINISTRATION | | | | | | |
| <i>Income Tax</i> | | | | | | |
| 1.051 | Imputed Interest Rules | Exclusion | 1964 | 316.048/317.013 | 1,800 | 2,300 |
| 1.052 | Gain on Non-Dealer Installment Sales | Exclusion | 1921 | 316.048/317.013 | 5,400 | 5,700 |
| 1.053 | Gain on Like-Kind Exchanges | Exclusion | 1921 | 316.048/317.013 | 8,900 | 9,900 |
| 1.103 | Magazine Circulation Expenditures | Deduction | 1950 | 316.048/317.013 | 200 | 200 |
| 1.104 | Net Operating Loss Limitation | Deduction | 1954 | 317.013 | 2,200 | 2,200 |
| 1.105 | Completed Contract Rules | Deduction | 1986 | 316.048/317.013 | 1,000 | 1,000 |
| 1.111 | Income Earned in Border River Areas | Subtraction | 2001 | 316.127 | Less than 50 | Less than 50 |
| <i>Property Tax</i> | | | | | | |
| 2.096 | Intangible Personal Property | Full | 1935 | 307.030 | 10,200,000 | 10,700,000 |
| 2.097 | Personal Property for Personal Use | Full | 1854 | 307.190 | 648,600 | 661,700 |
| 2.098 | Beverage Containers Requiring Deposit | Full | 1983 | 307.402 | 140 | 140 |

Table 2: Index of Tax Expenditures by Program/Function (cont.)

| Tax Expenditure | Type | Year Enacted | Oregon Statute | Revenue Impact (\$ Thousands) | |
|---|-------------|--------------|----------------------|----------------------------------|---------------|
| | | | | 2001-03 | 2003-05 |
| 2.099 FCC Licenses | Full | 2001 | 307.126 | 5,480 | 6,630 |
| <i>Gas, Use, Jet and Aviation Fuel Taxes</i> | | | | | |
| 3.003 Fuel for Aircraft Departing U.S. | Exclusion | 1959 | 319.330(2) | Less than 50 | Less than 50 |
| <i>Cigarette Tax</i> | | | | | |
| 6.001 Small Quantity by Consumers | Exclusion | 1965 | 323.060 | Less than 50 | Less than 50 |
| GOVERNMENT | | | | | |
| <i>Income Tax</i> | | | | | |
| 1.054 Allowances for Federal Employees Abroad | Exclusion | 1943 | 316.048 | 2,200 | 2,800 |
| 1.055 Interest on Oregon State and Local Debt | Exclusion | 1913 | 316.048 | 65,300 | 61,300 |
| 1.131 Income Earned in "Indian Country" | Subtraction | 1977 | 316.777 | 2,500 | 2,900 |
| 1.132 Federal Pension Income | Subtraction | 1998 | 316.680(1)(g) | 220,000 | 130,400 |
| 1.133 Oregon State Lottery Prizes | Subtraction | 1985 | 461.560 | 46,300 | 44,100 |
| 1.189 Political Contributions | Credit | 1969 | 316.102 | 8,800 | 8,800 |
| <i>Property Tax</i> | | | | | |
| 2.100 State and Local Property | Full | 1854 | 307.090 | 905,000 | 1,006,000 |
| 2.101 Beach Lands | Full | 1969 | 307.450 | Not available | Not available |
| 2.102 Public Ways | Full | 1895 | 307.200 | 448,000 | 496,000 |
| 2.103 Tribal Land Being Placed in U.S. Trust | Full | 1993 | 307.181 | 0 | 0 |
| <i>Gas, Use, Jet and Aviation Fuel Taxes</i> | | | | | |
| 3.004 Public Services | Exclusion | 1961 | 319.831(1)(e-f, h-k) | 8,100 | 10,500 |
| 3.005 Public Transportation | Exclusion | 1969 | 267.200/267.570(2) | 2,500 | 2,600 |
| <i>Weight-Mile Tax</i> | | | | | |
| 4.003 Elementary and Secondary Schools | Exclusion | Pre-1953 | 825.017(1) | 1,500 | 1,600 |
| 4.004 Government Owned or Operated Vehicles | Exclusion | Pre-1953 | 825.017(11,13) | 4,400 | 4,700 |
| 4.005 Mass Transit Vehicles | Exclusion | 1977 | 825.017(12) | 3,000 | 3,200 |
| 4.006 Fire Protection | Exclusion | 1977 | 825.017(23) | Less than 50 | Less than 50 |
| <i>Telephone Exchange Access (911) Tax</i> | | | | | |
| 9.001 State and Local Subscribers | Exclusion | 1981 | Note: 401.790 | 3,000 | 3,200 |
| <i>Hazardous Substances Tax</i> | | | | | |
| 12.001 State and Local Government Property | Exclusion | 1989 | 453.402(4)(e) | Not available | Not available |
| <i>Dry Cleaning Fee/Tax</i> | | | | | |
| 13.003 Prisons | Exclusion | 1995 | 465.200(6)(c) | 0 | 0 |

Table 2: Index of Tax Expenditures by Program/Function (cont.)

| Tax Expenditure | Type | Year Enacted | Oregon Statute | Revenue Impact (\$ Thousands) | | |
|---|-------------|--------------|-----------------|----------------------------------|-----------------|--|
| | | | | 2001-03 | 2003-05 | |
| <i>Oil and Gas Severance Tax</i> | | | | | | |
| 15.003 State and Local Interests | Exclusion | 1981 | 324.090(1) | 0 | 0 | |
| SOCIAL POLICY | | | | | | |
| <i>Income Tax</i> | | | | | | |
| 1.056 Capital Gains on Inherited Property | Exclusion | 1921 | 316.048 | 374,800 | 444,300 | |
| 1.057 Capital Gains on Gifts | Exclusion | 1921 | 316.048 | 41,300 | 47,000 | |
| 1.058 Gain on Involuntary Conversions in Disaster Areas | Exclusion | 1996 | 316.048 | 100 | 100 | |
| 1.059 Voluntary Employees' Beneficiary Association | Exclusion | 1928 | 316.048 | 11,400 | 12,600 | |
| 1.060 Rental Allowances for Ministers' Homes | Exclusion | 1921 | 316.048 | 2,800 | 3,500 | |
| 1.061 Military Disability Benefits | Exclusion | 1942 | 316.048 | 700 | 700 | |
| 1.062 Benefits and Allowances of Armed Forces Personnel | Exclusion | 1925 | 316.048 | 17,400 | 18,700 | |
| 1.063 Restitution Payments for Holocaust Survivors | Exclusion | 2001 | 316.048 | Less than 50 | Less than 50 | |
| 1.064 Survivor Annuities | Exclusion | 1997 | 316.048 | 100 | 100 | |
| 1.106 Casualty and Theft Losses | Deduction | 1913 | 316.695 | 1,400 | 1,300 | |
| 1.107 Charitable Contributions: Other | Deduction | 1917 | 316.695/317.013 | 217,700 | 258,700 | |
| 1.134 Federal Income Tax Deduction | Subtraction | 1929 | 316.680/316.695 | 482,300 | 597,700 | |
| 1.135 Military Active Duty Pay | Subtraction | 1969 | 316.680/316.789 | 7,500 | 8,300 | |
| 1.190 Personal Exemption Credit | Credit | 1985 | 316.085 | 810,400 | 874,900 | |
| 1.191 Retirement Income | Credit | 1991 | 316.157 | 2,900 | 2,100 | |
| 1.192 Trust for Cultural Development | Credit | 2001 | 315.675 | 2,200 | 17,900 | |
| <i>Property Tax</i> | | | | | | |
| 2.104 Exempt Lease from Taxable Owner | Full | 1977 | 307.112 | Incl. elsewhere | Incl. elsewhere | |
| 2.105 Exempt Lease from Exempt Owner | Full | 1973 | 307.166 | Incl. elsewhere | Incl. elsewhere | |
| 2.106 Destroyed or Damaged Property | Partial | 1971 | 308.425 | Less than 50 | Less than 50 | |
| 2.107 Charitable, Literary and Scientific Organizations | Full | 1854 | 307.130 | 57,800 | 61,700 | |
| 2.108 Volunteer Fire Department Property | Full | 1999 | 307.130 | Less than 50 | Less than 50 | |
| 2.109 Fraternal Organizations | Full | 1961 | 307.136 | 7,700 | 8,400 | |
| 2.110 Religious Organizations | Full | 1854 | 307.140 | 78,900 | 85,800 | |
| 2.111 Cemeteries, Burial Grounds and Mausoleums | Full | 1854 | 307.150 | 6,300 | 6,900 | |
| 2.112 City-Owned Sports Facility | Full | 2001 | 307.171 | 1,500 | 1,700 | |
| 2.113 Transfer of Land from Cemetery to School | Full | 2001 | 307.157 | 250 | 250 | |
| <i>Weight-Mile Tax</i> | | | | | | |
| 4.007 Charitable Organizations | Exclusion | 1977 | 825.017(15) | Less than 50 | Less than 50 | |

Table 2: Index of Tax Expenditures by Program/Function (cont.)

| Tax Expenditure | Type | Year Enacted | Oregon Statute | Revenue Impact (\$ Thousands) | | |
|--|--|--------------|----------------|----------------------------------|---------------|---------------|
| | | | | 2001-03 | 2003-05 | |
| FEDERAL LAW | | | | | | |
| <i>Income Tax</i> | | | | | | |
| 1.136 | Interest and Dividends on U.S. Obligations | Subtraction | 1970 | 316.680 | 44,900 | 46,700 |
| <i>Property Tax</i> | | | | | | |
| 2.114 | Federal Property | Full | 1848 | 307.040 | 3,464,400 | 3,697,900 |
| 2.115 | Indian Property on Reservation | Full | 1854 | 307.180 | Not available | Not available |
| 2.116 | Mining Claims on Federal Land | Full | 1889 | 307.080 | Not available | Not available |
| 2.117 | Amtrak Passenger Railroad | Full | 1983 | 308.515 | 240 | 250 |
| <i>Cigarette Tax</i> | | | | | | |
| 6.002 | Federal and Veteran Institutions | Exclusion | 1965 | 323.055 | Not available | Not available |
| 6.003 | Reservation Cigarette Sales | Credit | 1979 | 323.401 | 1,200 | 2,300 |
| <i>Other Tobacco Products Tax</i> | | | | | | |
| 7.001 | Federal Installations | Exclusion | 1985 | 323.515 | Not available | Not available |
| 7.002 | Reservation Tobacco Sales | Exclusion | 1985 | 323.615 | Less than 50 | Less than 50 |
| <i>Telephone Exchange Access (911) Tax</i> | | | | | | |
| 9.002 | Federal Subscribers | Exclusion | 1981 | Note: 401.790 | 500 | 500 |
| 9.003 | Indian Reservation Subscribers | Exclusion | 1981 | Note: 401.790 | 100 | 100 |
| <i>Hazardous Substances Tax</i> | | | | | | |
| 12.002 | Substance Prohibited from Tax by Federal Law | Exclusion | 1989 | 453.402(4)(d) | Not available | Not available |
| <i>Dry Cleaning Fee/Tax</i> | | | | | | |
| 13.004 | Facility on U.S. Military Base | Exclusion | 1995 | 465.200(6)(a) | 0 | 0 |
| <i>Petroleum Load Fee</i> | | | | | | |
| 14.001 | Product Prohibited from Tax by Federal Law | Exclusion | 1989 | 465.111 | Not available | Not available |