

Tax Expenditure Subject Area Descriptions

In addition to the material in the published Tax Expenditure Report, the Department of Revenue, in consultation with the Chief Financial Office and Legislative Revenue Office, categorized tax expenditures by subject. These categories are intended to provide an easy way to view tax expenditures relating to common subjects. These particular subjects were selected based on the tax expenditure's published description, purpose, and who benefits but there are likely many other subjects that could be used to describe them. These categories should not be considered authoritative. Several tax expenditures relate to multiple subjects and will appear in each category to which they are related.

Following are brief descriptions of each subject.

Agriculture

Includes tax expenditures related to agricultural land use, processing of food products, offsetting costs incurred by agriculture producers, and otherwise relating to agriculture production or the agricultural industry within the State.

Arts

Tax expenditures within this category mostly relate to Oregon's film industry, but the category also includes cultural trust.

Charitable Organizations

This category includes tax expenditures relating to charitable organizations or their employees.

Economic Development

Many tax expenditures could in some way be linked to economic development, but this category includes expenditures designed explicitly to influence economic development or the reduction of costs for certain industries to increase their competitiveness.

Education

This category includes tax expenditures relating to all levels of education, property related to education that is exempt from local property taxes, cost reductions associated with education, and untaxed benefits that encourage increased education attainment.

Energy

Includes tax expenditures related to both the production and consumption of energy. Some tax expenditures relate to reducing costs of production, while others incentivize specific types of energy production or consumption (such as renewable energy).

Environment/Conservation

Includes tax expenditures related to reducing consumption of non-renewable goods (generally energy related). Category also includes tax expenditures designed to reduce costs or incentivize specific actions relating to environment/conservation.

Family Support

Category contains tax expenditures relating to children and taxpayer dependents. The category also includes tax expenditures related to income received as compensation, such as for an injury.

Federal Law Prohibits

Includes tax expenditures that exist due to federal law prohibiting such form of taxation.

Financials/Insurance

Includes tax expenditures that relate to the financial/insurance industry. Many of these tax expenditures relate to unique ways in which the financial/insurance industry is taxed compared to other companies.

Forestry

Includes tax expenditures associated with Oregon's Forestry and Timber industries except state and local forest/timber property which is not included in this category. Because state and local forest/timber property cannot be separated from all other state and local property, state and local forest/timber property is included under the State and Local Government subject category.

Health Care

Includes tax expenditures relating to health care providers or consumers. Category includes tax expenditures with identified health care recipient populations such as military or elderly.

Housing

This category includes tax expenditures related to new and existing housing.

Income Maintenance

This category includes tax expenditures related to payments intended to assist or compensate certain taxpayers. Examples include the Additional Deduction for Elderly and Blind, and Public Assistance Benefits. The Federal Income Tax Subtraction and Personal Exemption tax expenditures are also included in this category.

Job Development

This category includes tax expenditures related to incentives and benefits provided by employers to employees that would otherwise be considered a taxable form of compensation. Examples include employer-paid medical benefits and employee meals and lodging.

Military

This category includes tax expenditures that require some sort of military service (or family-connected service) to qualify.

Recreation

Most of the tax expenditures within this category relate to untaxed property used for recreational purposes or in support of recreational activities.

Retirement

This category includes tax expenditures relating to current and future retirement, including the exclusion from taxation of certain retirement income or income being used for retirement savings.

State and Local Government

This category includes tax expenditures related to properties owned by state and local governments, employees of state and local governments, and some entities that function similar to state and local governments (e.g. Indian Property Used Exclusively for Government Services).

Tax Administration

This category includes tax expenditures relating to the tax administration of governments, taxpayers, or both.

Transportation

Includes tax expenditures relating to specific means of transportation as well as transportation infrastructure.

Utilities

Includes tax expenditures relating to utilities as well as nonprofit associations functioning similar to utilities.