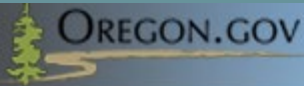


Oregon Office of Economic Analysis

Oregon Economic News, Analysis and Outlook



CREDIT: MARJORIE TAYLOR

About

Oregon Economic and Revenue Forecast, March 2024

Posted by: **Josh Lehner** | February 7, 2024

This morning our office released the latest quarterly economic and revenue forecast. For the full document, slides and forecast data [please see our main website](#). Below is the forecast's Executive Summary and a copy of our presentation slides.

Historically, inflationary economic booms have not ended well. The pandemic is increasingly looking like the exception. Inflation has cooled and is near the Federal Reserve's target. The labor market rebalanced last year. However, strong recent data in terms of consumer spending, job gains, and real GDP growth raise the possibility of inflation rebounding in the quarters ahead. The Fed is indicating they will cut interest rates this year, but appear to be in no real hurry given the economic strength.

Economic growth is combination of the number of workers and how productive each is. So far this cycle, Oregon's productivity gains have outpaced the nation, while local job growth is in the middle of the pack across states. The outlook for labor and capital are on differing, structural trends. Labor is both cyclically strong today, and structurally tight due to demographics. The recently released 2023 population estimates show that Oregon's population continued to stagnate during the pandemic. Our office has lowered the population outlook as a result. In the decade ahead Oregon's population is expected to rebound, but grow at just 0.6 percent per year. This lower population forecast feeds directly into a relatively smaller labor force and a bit less personal income earned in the years ahead.

The good news is that between the start-up boom, increased federal investment, and potential of generative AI, productivity is set to increase faster in the decade ahead. These gains will boost the overall economy and makeup for slower labor growth. Even so, one of the key dynamics for stronger business investment is a tight labor market. When workers are scarce, and expensive, firms are more willing, if not forced to invest in labor-saving technology and processes.

TOPICS

- [Demographics](#)
- [Employment](#)
- [Graph of the Week](#)
- [Housing](#)
- [Income](#)
- [Leading Indicators](#)
- [Miscellaneous](#)
- [News](#)
- [Revenue](#)
- [State Comparisons](#)



CONTACT US

- [All Contact Information](#)
- [Email Josh Directly](#)
- [Official Site](#)

EMAIL SUBSCRIPTION

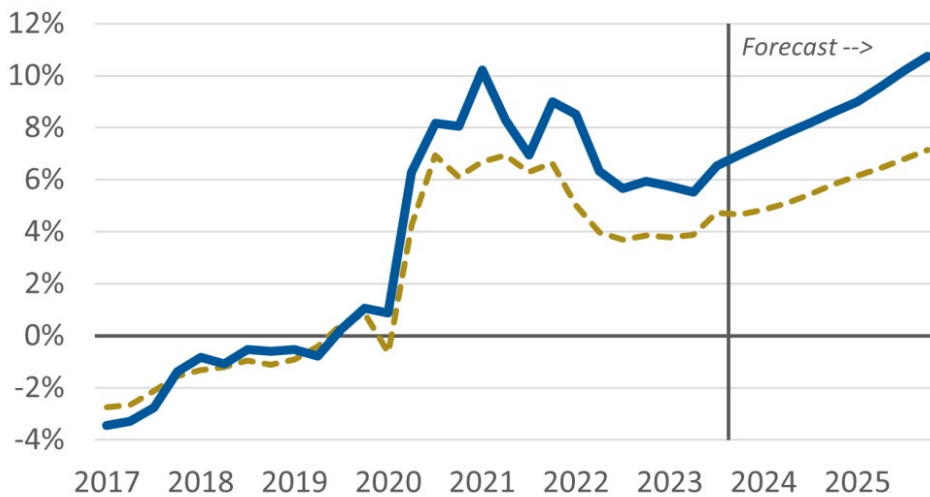
Enter your email address to subscribe to this blog and receive notifications of new posts by email.

Sign me up!

Join 2,090 other

Real GDP per Worker

Percent change since 2019 in **U.S.** and **Oregon**



Latest Actual: 2023q3 | Source: BEA, BLS, S&P, Oregon Office of Economic Analysis

Oregon's state revenue outlook remains stable heading into the personal income tax filing season. The underlying economic outlook is relatively unchanged, and collections are tracking closely to expectations. Compared to the December 2023 forecast, General Fund revenues are raised \$76 million. However, total available resources are increased \$558 million in large part due to accountants closing the books on the previous 2021-23 biennium. Unspent appropriations from last biennium revert to the General Fund, boosting resources in 2023-25.

Although overall revenue collections are matching expectations, there have been some notable surprises. The most significant of which is the persistence of the six-year boom in Oregon's traditional corporate income and excise taxes. Tax collections have far outstripped growth in underlying corporate profits. The longer the surge in collections persists, the more likely it becomes that tax reforms enacted at the federal and state levels have permanently increased Oregon's corporate tax base, and that the step up in collections will remain with us going forward.

The modest reduction in expected population and job gains reflected in the underlying economic outlook filters through to a somewhat weaker long-term forecast for personal income taxes. That said, these changes do not change the general nature of the revenue forecast, with the largest reduction in expected General Fund resources amounting to less than one percent of revenue in the 2029-31 budget period.

subscribers

TWEETS

My Tweets

OLDER POSTS

- February 2024
- January 2024
- December 2023
- November 2023
- October 2023
- September 2023
- August 2023
- July 2023
- June 2023
- May 2023
- April 2023
- March 2023
- February 2023
- January 2023
- December 2022
- November 2022
- October 2022
- September 2022
- August 2022
- July 2022
- June 2022
- May 2022
- April 2022
- March 2022
- February 2022
- January 2022
- December 2021
- November 2021
- October 2021
- September 2021
- August 2021
- July 2021
- June 2021
- May 2021
- April 2021
- March 2021
- February 2021
- January 2021
- December 2020
- November 2020
- October 2020
- September 2020
- August 2020
- July 2020
- June 2020
- May 2020
- April 2020
- March 2020
- February 2020
- January 2020

2023-25 General Fund Forecast Summary

(Millions)	2023 COS Forecast	December 2023 Forecast	March 2024 Forecast	Change from Prior Forecast	Change from COS Forecast
Structural Revenues					
Personal Income Tax	\$21,019.7	\$21,164.6	\$21,180.1	\$15.5	\$160.4
Corporate Income Tax	\$2,228.9	\$2,647.2	\$2,762.1	\$114.9	\$533.1
All Other Revenues	\$2,011.3	\$2,007.3	\$1,953.1	-\$54.3	-\$58.2
Gross GF Revenues	\$25,259.9	\$25,819.1	\$25,895.2	\$76.1	\$635.3
Offsets, Transfers, and Actions	-\$437.0	-\$483.9	-\$447.8	\$36.1	-\$10.8
Beginning Balance	\$7,493.5	\$7,636.2	\$8,082.5	\$446.3	\$589.0
Net Available Resources	\$32,316.4	\$32,971.4	\$33,529.9	\$558.5	\$1,213.5
Appropriations	\$31,873.6	\$31,873.6	\$31,873.6	\$0.0	\$0.0
Ending Balance	\$442.8	\$1,097.8	\$1,656.3	\$558.5	\$1,213.5

See our [full website](#) for all the forecast details. Our presentation slides for the forecast release to the Legislature are below.

- December 2019
- November 2019
- October 2019
- September 2019
- August 2019
- July 2019
- June 2019
- May 2019
- April 2019
- March 2019
- February 2019
- January 2019
- December 2018
- November 2018
- October 2018
- September 2018
- August 2018
- July 2018
- June 2018
- May 2018
- April 2018
- March 2018
- February 2018
- January 2018
- December 2017
- November 2017
- October 2017
- September 2017
- August 2017
- July 2017
- June 2017
- May 2017
- April 2017
- March 2017
- February 2017
- January 2017
- December 2016
- November 2016
- October 2016
- September 2016
- August 2016
- July 2016
- June 2016
- May 2016
- April 2016
- March 2016
- February 2016

Share this:

Facebook X

Loading...

Posted in [Demographics](#), [Employment](#), [Housing](#), [Income](#), [Miscellaneous](#), [News](#), [Revenue](#) |
Tags: [2023-25](#), [2024](#), [budget](#), [business formation](#), [business investment](#), [capital](#), [cat](#), [corporate activity tax](#), [corporate excise tax](#), [Employment](#), [estate](#), [Forecast](#), [GDP](#), [inflation](#), [interest earnings](#), [Jobs](#), [judicial](#), [labor](#), [liquor](#), [Lottery](#), [migration](#), [olcc](#), [Oregon](#), [outlook](#), [Personal Income](#), [personal income tax](#), [Population](#), [productivity](#), [Revenue](#), [start-ups](#), [tobacco](#), [Wages](#)

[« Report: Zero Migration, a Demographic Alternative Scenario](#)

RESPONSES

The \$589 in carry-over funds from 21-23 seems like an extraordinarily high number. How does this amount compare to carry-over funds in prior bienniums? Also, did most of this arise from unfilled positions, services and supplies or other factors?



By: **Tim Nesbitt** on
February 7, 2024
at 10:28 AM

[Reply](#)

LEAVE A COMMENT

CATEGORIES

[Demographics](#)

[Housing](#)

[Miscellaneous](#)

[State Comparisons](#)

[Employment](#)

[Income](#)

[News](#)

[Graph of the Week](#)

[Leading Indicators](#)

[Revenue](#)

- [January 2016](#)
- [December 2015](#)
- [November 2015](#)
- [October 2015](#)
- [September 2015](#)
- [August 2015](#)
- [July 2015](#)
- [June 2015](#)
- [May 2015](#)
- [April 2015](#)
- [March 2015](#)
- [February 2015](#)
- [January 2015](#)
- [December 2014](#)
- [November 2014](#)
- [October 2014](#)
- [September 2014](#)
- [August 2014](#)
- [July 2014](#)
- [June 2014](#)
- [May 2014](#)
- [April 2014](#)
- [March 2014](#)
- [February 2014](#)
- [January 2014](#)
- [December 2013](#)
- [November 2013](#)
- [October 2013](#)
- [September 2013](#)
- [August 2013](#)
- [July 2013](#)
- [June 2013](#)
- [May 2013](#)
- [April 2013](#)
- [March 2013](#)
- [February 2013](#)
- [January 2013](#)
- [December 2012](#)
- [November 2012](#)
- [October 2012](#)
- [September 2012](#)
- [August 2012](#)
- [July 2012](#)
- [June 2012](#)
- [May 2012](#)
- [April 2012](#)
- [March 2012](#)
- [February 2012](#)
- [January 2012](#)
- [December 2011](#)
- [November 2011](#)
- [October 2011](#)
- [September 2011](#)
- [August 2011](#)
- [July 2011](#)
- [June 2011](#)
- [May 2011](#)
- [April 2011](#)
- [March 2011](#)
- [February 2011](#)
- [January 2011](#)
- [December 2010](#)
- [November 2010](#)
- [October 2010](#)
- [September 2010](#)

- [August 2010](#)
- [July 2010](#)
- [June 2010](#)
- [May 2010](#)
- [April 2010](#)
- [March 2010](#)



- **Mark McMullen**



- **Josh Lehner**

[Blog at WordPress.com.](#)