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SB 703Oppose

AAUW-Oregon believes that Oregon needs to examine all aspects of tax policy. Until we have a complete overhaul of the tax system Oregon should avoid adding any new tax credits.

If the participation in the proposed new food bank and other charitable organization as specified in ORS315.154 follows the pattern of the political tax credit, the most benefit will again go to those Oregonians in the highest income levels. In fact, a higher percentage of Part-Year and Nonresident tax filers use the political tax credit than do the lowest income bracket. (see Oregon 2011-2013 Oregon Tax Expenditure).

Ten times the number of those making over \$70,000 use the political tax credit than do those making \$10,000 or less. We would point out that those filers most likely would make contributions to the food bank but would include those contributions in their combined charitable contribution. Our household is a sustaining member of our local food bank by making monthly contributions and that is how the contribution is addressed for tax purposes.

Oregon needs to take care of our future. We have young children who qualify but are not enrolled in Oregon Pre-K. Those children are at risk of entering school not ready to learn.

Which is the higher priority? Should we educate young kids or should we expand tax credits, the majority benefit of which goes to the higher earners in the state?

Do not expand this tax credit. In fact we might suggest suspending the political credit until we are fully funding Oregon Pre-K and full day kindergarten.

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