



**LEAGUE OF WOMEN VOTERS®
OF OREGON**

April 15, 2013

To: Senate Committee on Finance and Revenue
Senator Ginny Burdick, Chair
Committee Members

From: Robin Wisdom, LWVOR President
Rebecca Gladstone, Governance Volunteer

Re: SJR36: Proposing amendment to Oregon Constitution relating to sales and use tax.
SUPPORT
SB824: Relating to taxation; appropriating money; prescribing an effective date.
Summary: Enacts uniform sales and use tax administration provisions.
SUPPORT

The League of Women Voters of Oregon is a non-partisan, grass roots political organization that encourages informed citizen participation in government. The League has extensive and very carefully considered taxation positions.

This pertains to SJR36 and SB824, related bills calling for a progressive 5% Oregon sales tax, balanced by reductions in income and property taxes. Basic necessities, if taxed, that would hit our poorer Oregonians harder, are excluded. Provision is made to administer Oregon sales tax for out of state sales.

The League of Women Voters of Oregon supports the adoption of a sales tax provided:

- 1. The rate cannot be increased without voters' approval;**
- 2. Regressivity is reduced through:**
 - a. a tax credit or rebate and**
 - b. exemptions for items such as food, rent and utilities.**

The League further believes:

- **Any tax proposal should be evaluated with regard to its effect on the entire tax structure.** This has been addressed. This is the kind of proposal we have supported in the past. This is the third leg to our volatile tax system that has been missing.
- **In a tax system that is equitable, adequate, stable, easy to administer and as simple as possible.** These measures will help, for example, to provide the adequate, stable school funding that forms a large part of our state budget.

League members attended a Springfield Town Hall last week, where Senator Lee Beyer called for an informal poll- how many present would support the emphatically progressive sales tax we'd been discussing. Those supporting outnumbered nay votes about two to one. On April 12th The Eugene Register-Guard editorial underscored our discussion in support of re-introducing a sales tax.

These are different times. We hope our electorate will be more receptive to this well-considered, very progressive proposal, balanced with trade-offs in property and income taxes.

Thank you for the opportunity to discuss this legislation.