



BETSY CLOSE
OREGON STATE SENATOR
DISTRICT 8

Tax Credit-

Thank you Chair Hass and Vice Chair Knopp, Members of the Committee. I appreciate your hearing SB 500 and SJR 23. These bills are about giving every child in Oregon access to a high-quality education. SB 500 creates a tax credit for educational expenses OR for contributions to a qualified scholarship-granting organization.

- It is a \$1000 credit per child if the taxpayer is the parent.
- Can be adjusted by the Department of Revenue for cost of living adjustments if desired (shall annually compute it)
- May be carried forward and offset the next year taxes
- A non- resident can qualify in proportion for ORS 316.117
- Does not take effect without SJR 23 a referendum to the people, passes

If this committee deems that SJR 23 is not required due to its constitutionality, I am happy to offer an amendment to SB 500.

This is a good bill, Colleagues. Thirteen other states have followed this path: Including these varied states –

- Arizona –
Both individuals and corporations are allowed a tax credit. The state offered \$17 million in 2010. They also have a tax credit for special needs.
- Florida
- Virginia

- Pennsylvania
- New Hampshire

Lastly, I want to make it clear that this is not just a tax credit to pay private school tuition, as some have said. The \$1000 credit would only pay for 2 months at many private schools. It is much more: it gives parents choice and flexibility. We all want the best education for their children. I hope these bills help spark a discussion about giving parents and kids more educational options.

Thank you!