

**TESTIMONY OF DANIEL MEEK ON SB 320:  
TO EXTEND THE POLITICAL CONTRIBUTION TAX CREDIT THROUGH 2019**

**before the Senate Committee on Rules**

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The Oregon Progressive Party supports SB 320 and recommends making it stronger.

The political contribution tax credit is one of the very few elements of the Oregon campaign finance system that enables the average working person to participate, even if she or he does not have time to volunteer.

The political contribution tax credit should be extended without a future sunset. We see no reason to require that this issue be debated every few years.

It should be made refundable, so that the credit is available to anyone who files an Oregon income tax return.

It should be adjusted, at least once, for inflation. The credit was first adopted in 1969 with maximums of \$25 per person and \$50 per couple filing jointly. Between then and 2010, the average cost of living in the United States, as measured by the consumer price index, has risen by a factor of 5.94.<sup>1</sup> If the credit maximums were adjusted now to be the equivalent of the levels adopted in 1969, the new maximums would be \$150 per person and \$300 per couple filing jointly.

We propose a modest doubling of the maximums, to \$100 per person and \$200 per couple filing jointly.

We are not averse to means testing of this tax credit by making it available only to Oregon income taxpayers with annual federal adjusted gross income of less than \$50,000 per person or some other reasonable level. Federal adjusted gross income would be a better measure of affluence than Oregon taxable income, because the latter can be misleadingly low for persons and couples filing Oregon nonresident income tax returns.

Note that the credit is available to Oregon nonresidents who file such returns. A further reform could be to limit the credit to full-time Oregon residents.

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1. Source: Bureau of Labor Statistics, CPI Detailed Report, monthly, and at [http://www.bls.gov/cpi/cpi\\_dr.htm](http://www.bls.gov/cpi/cpi_dr.htm).