

Senate Joint Resolution 36

Sponsored by Senators HASS, BURDICK, Representative READ

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Proposes amendment to Oregon Constitution directing Legislative Assembly to adopt sales tax at rate of five percent on sales of tangible personal property and services and use tax at rate of five percent on purchase price of tangible personal property. Requires exemption from taxes for necessities. Preempts local sales and use taxes not approved on or before November 4, 2014.

Refers proposed amendment to people for their approval or rejection at next regular general election.

JOINT RESOLUTION

Be It Resolved by the Legislative Assembly of the State of Oregon:

PARAGRAPH 1. The Constitution of the State of Oregon is amended by creating a new section 16 to be added to and made a part of Article IX, such section to read:

SECTION 16. (1) The Legislative Assembly shall provide by law for a sales and use tax law that complies with the provisions of this section. The law may be based on an interstate sales and use tax agreement.

(2)(a) A sales tax is imposed at a rate of five percent on gross receipts from the sale of tangible personal property and services.

(b) A use tax is imposed on the storage, use or other consumption in this state of tangible personal property at a rate of five percent of the purchase price.

(c) Sales of water, food, clothing, drugs, medical and mobility equipment and utilities, as defined by law, are exempt from the sales tax and use tax.

(3) Notwithstanding any other provision of law, a unit of local government may not impose a sales or use tax that is not approved on or before November 4, 2014.

PARAGRAPH 2. The amendment proposed by this resolution shall be submitted to the people for their approval or rejection at the next regular general election held throughout this state.

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.