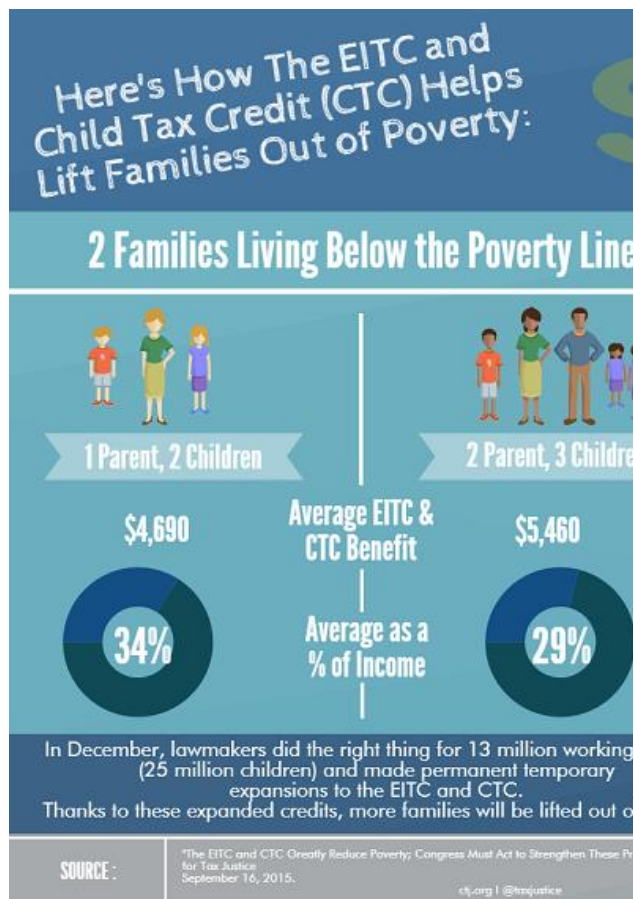


## HB 4110, HB 4120, HB 4144 - EITC expansion

**Tax Fairness Oregon (TFO) urges caution on enacting the increases to Oregon's EITC in HB 4110 and HB 4120 because we don't yet know what will happen with IP 28. We support HB 4144 which will increase broader participation in EITC and have its own revenue impact.**

Congress recently voted to make permanent federal subsidies at the level in the chart below, rather than seeing an average \$1073 per year reduction. Oregon's connection to IRS tax code means continuation of about \$80 per year in Oregon subsidy which might have otherwise gone away.



When we add Oregon's benefit of another 8% for EITC, the total dollars increase to roughly \$5000 and \$5800.

**FISCALLY - If IP 28 DOESN'T PASS, you'll need this revenue for PERS, and will find it difficult to reverse these EITC increases.**

**POLITICALLY - If IP 28 PASSES, increasing the EITC would be an appropriate way for the legislature to respond to the impact of increased costs for low income Oregonians.**

**For each of these reasons, a decision to increase Oregon's EITC should come after the November election, when the effects on the budgets of both the state and citizens are known.**

**Improving participation in EITC is a far more compelling goal. TFO supports HB 4144, the EITC utilization bill, which would increase the use of EITC and CTC, bringing its own costs. HB 4144 needs a funding package to support a strong education campaign based on the findings in the required report identifying which communities lag in participation.**

*We read the bills and follow the money*