

FINANCE & REVENUE TECHNICAL ADVISORY GROUP (TAG) MEETING 8

Attendees	Members: Chuck Sheketoff (lead), John Santa, Samuel Metz, Cheryl Ramirez, Leslie Rogers, Dwight Dill Staff: Sarah Knipper (OHA), Laurel Swerdlow (OHA)
Absent	Glendora Claybrooks, Chad Chadwick
Date/Time	April 14, 2021 1PM – 3PM

Meeting Purpose/ Desired Outcome	<ul style="list-style-type: none"> • Guest speaker economist Dr. Jack Meyer • Reach agreement on the method parameters to be presented at the May TF meeting
Key Issues	<ul style="list-style-type: none"> • Dr. Jack Meyer underscored that getting highly refined, specific, detailed cost data is a lot of work. It takes more time and resources than you likely have. But you can still make some decisions with “order of magnitude” cost estimates, as long as you can assure yourselves that you are in the right ballpark. You will gradually get more specific as you obtain more and better data later on. • Payroll tax parameter discussion: <ul style="list-style-type: none"> ○ General agreement: If a payroll tax is part of the proposed package, it applies to all firms. It uses a flat rate until the FICA threshold, and a higher progressive rate on income over the FICA threshold, meaning rates would rise as income increases over the FICA threshold. The tax rate is based on what we find is the cost of health insurance to the employer. ○ Disagreement: If a payroll tax is part of the proposed package, it applies to both wage and non-wage income. ○ Setting aside for now: If a payroll tax is part of the proposed package, it could apply to the employer or the employee. • Income tax parameter discussion general agreement: <ul style="list-style-type: none"> ○ If an income tax is part of the proposed package, it increases rates for everyone above the Medicaid income eligibility threshold (300% FPL), with a credit for Medicaid-eligible folks. It establishes a new bracket for high income earners (e.g., income over \$200k is taxed at 13%). The rate is set after the payroll tax rate is determined, and is selected to produce adequate revenue
Next Steps	<ul style="list-style-type: none"> • TAG members review the sales tax parameters slides and offer feedback to Laurel and Sarah directly in advance of the next and final TAG meeting
Meeting Materials	Agenda; Meeting 7 Summary
Next Meeting	May TBD