



The League of Women Voters of Oregon is a 99-year-old grassroots nonpartisan political organization that encourages informed and active participation in government. We envision informed Oregonians participating in a fully accessible, responsive, and transparent government to achieve the common good. LWVOR Legislative Action is based on advocacy positions formed through studies and member consensus. The League never supports or opposes any candidate or political party.

March 26, 2019

To: **House Committee on Human Services and Housing**
Chair Representative Alissa Keny-Guyer
Vice-Chair Representative Ron Noble
Vice-Chair Representative Tawna Sanchez
[HHS exhibit email](#)

House Committee on Revenue
Chair Representative Nancy Nathanson
Vice-Chair Representative Lynn Findley
Vice-Chair Representative Pam Marsh
[HRev exhibit email](#)

Re: **HB 3028** (with -2) – Increase percentage of federal earned income tax credit (EITC) allowable as credit against Oregon personal income tax – **Support**

The League of Women Voters of Oregon has Positions in tax policy and child well-being to address this bill.

- LWVOR supports policies, programs, and funding at all levels of the community and government that promote the well-being, encourage the full development, and ensure the safety of all children.
- LWVOR believes any tax proposal should be evaluated with regard to its effect on the entire tax structure. The League supports a tax system that is based on ability to pay, but that applies a benefits-received principle wherever reasonable and that recognizes the role of social expediency.

The League is generally skeptical of most tax credits, believing that the market economy and/or direct legislative funding of priority programs through the Ways and Means process is preferable to creating a leaky sieve of tax-credits that take away revenue from the budgeting process.

However, the **EITC is rather unique**. Oregon’s current tax system is regressive and unduly taxes the lowest income earners—a minimum wage worker hits the 9 percent tax rate at only \$8,700 of taxable income. The EITC is a proxy for reinstating some of that tax money to low income earners. It offers additional credit to those with young children.

Thank you for the opportunity to discuss this legislation.

Norman Turrill
LWVOR President

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