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Testimony for the Joint Committee on Student Success

The Oregon Coalition of Christian Voices evaluates public policy on how it treats those who are most disadvantaged in our society.

We commend this committee for proposing an increase in revenue to provide better educational opportunities for Oregon students. You are proposing taxing corporations that have benefited from state tax policy in Oregon. They pay the second lowest share of business taxes as a percent of revenue among all states. In addition, they have gotten significant tax breaks at the federal level. This is a shift in resources from the powerful to children who need our help and supports what our faith teaches us.

However, the proposal that personal taxes be cut through an income tax rate reduction fails the same test.

The proposal would provide more for the rich than the poor. The typical Oregon household with an income of \$50,000 would receive \$125 while some one earning \$250,000 would get \$625. Why? That is not right.

In addition, I estimate that half to $\frac{3}{4}$ of a million Oregonians would get no benefit from the rate reduction because their income is so low that they do not currently pay state income taxes.

These are people living on the edge who will truly benefit by getting a small payment to offset any pass-through price increases while the high-end rebate will have no impact on the life style of a family with a \$300,000 income.

We should reshape the reimbursement to individuals who may face a small increase in prices so that more goes to lower income Oregonians. Both OCPP and Tax Fairness Oregon have proposals that would do that. Alternatively, a \$50 refundable tax credit to every one of the 4.2 million people that live in Oregon would treat all of us equally and fit within the proposed budget. No one should be excluded.

Giving to the wealthy and cutting out the poor is not morally acceptable. You should not do it.