



4/18/2019

Testimony for the Joint Committee on Student Success – John Calhoun

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 supporting an increase in revenue to provide better educational opportunities for Oregon students. Since businesses in Oregon pay the second lowest share of business taxes as a percent of revenue among all states, it is the appropriate source for more funds. In addition, corporations have gotten significant tax breaks from the federal government. The proposed tax is a shift in resources from the powerful to children who need our help and supports what our faith teaches us.

However, the proposal for a personal income tax rate reduction fails the same test. The public intent is to provide an offset for any potential increase in prices consumers pay because of the business tax. However, the rate reduction does a poor job of that for too many.

The proposal would provide more for the rich than the poor. The typical Oregon household with an income of \$60,000 would receive \$150 while some one earning \$250,000 would get \$625. In addition, hundreds of thousands of Oregonians, including about 200,000 seniors living primarily on social security, would get no benefit from the rate reduction because their taxable income is so low that they do not currently pay state income taxes.

The people living on the edge who will truly benefit by getting a small payment to offset any potential 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 so that more goes to lower income Oregonians. 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. We want you to pass this legislation, but to take the time to fix this one issue.