

HB 3427 -1 STAFF MEASURE SUMMARY

Joint Committee On Student Success

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Meeting Dates: 4/16, 4/18

WHAT THE MEASURE DOES:

Directs Oregon Department of Education to study funding of the state's system of kindergarten through twelfth grade public education. Requires department to submit report to legislature by September 15, 2020.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

-1 Cuts personal income tax rate for three lowest income brackets by .25 percent; creates a modified corporate activity tax for businesses with gross receipts in Oregon of \$1 million or more. Establishes tax of \$250 plus the product of the taxable business receipts multiplied by 0.49 percent. Allows subtraction of 25 percent of the greater of either the amount of cost inputs paid to other businesses or the taxpayer's labor costs. Establishes exceptions to the definition of business receipts.

BACKGROUND: