House Joint Resolution 10

Sponsored by Representative PHAM; Representative REARDON, Senator DEMBROW (Presession filed.)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor’s brief statement of the essential features of the measure as introduced.

Proposes amendment to Oregon Constitution to use excess revenues from personal income tax collections to increase allowance of earned income tax credits, in lieu of returning surplus revenue to all personal income taxpayers.

Refers proposed amendment to people for their approval or rejection at next regular general election.

JOINT RESOLUTION

Be It Resolved by the Legislative Assembly of the State of Oregon:

PARAGRAPH 1. The Constitution of the State of Oregon is amended by creating a new section 14a to be added to and made a part of Article IX, and by amending section 14, Article IX, and section 4, Article X-A, such sections to read:

Sec. 14. (1) As soon as is practicable after adjournment sine die of an odd-numbered year regular session of the Legislative Assembly, the Governor shall cause an estimate to be prepared of revenues that will be received by the General Fund for the biennium beginning July 1. The estimated revenues from corporate income and excise taxes shall be separately stated from the estimated revenues from other General Fund sources.

(2) As soon as is practicable after the end of the biennium, the Governor shall cause actual collections of revenues received by the General Fund for that biennium to be determined. The revenues received from corporate income and excise taxes shall be determined separately from the revenues received from other General Fund sources.

(3) If the revenues received by the General Fund from corporate income and excise taxes during the biennium exceed the amount estimated to be received from corporate income and excise taxes for the biennium, by two percent or more, the total amount of the excess shall be retained in the General Fund and used to provide additional funding for public education, kindergarten through 12th grade.

(4) If the revenues received from General Fund revenue sources, exclusive of those described in subsection (3) of this section, during the biennium exceed the amount estimated to be received from such sources for the biennium, by two percent or more, the total amount of the excess shall be distributed to low income taxpayers through an equivalent increase in the total earned income tax credit allowed to all eligible taxpayers in this state. A greater amount of the increase shall be distributed to eligible taxpayers with dependents in the household, especially dependents under the age of 18 years.

[(5) The Legislative Assembly may enact laws:] [(a) Establishing a tax credit, refund payment or other mechanism by which the excess revenues are returned to taxpayers, and establishing administrative procedures connected therewith.] [(b) Allowing the excess revenues to be reduced by administrative costs associated with returning

NOTE: Matter in boldfaced type in an amended section is new; matter [italic and bracketed] is existing law to be omitted. New sections are in boldfaced type.
the excess revenues.]
[(c) Permitting a taxpayer’s share of the excess revenues not to be returned to the taxpayer if the
  taxpayer’s share is less than a de minimis amount identified by the Legislative Assembly.]
[(d) Permitting a taxpayer’s share of excess revenues to be offset by any liability of the taxpayer
  for which the state is authorized to undertake collection efforts.]
[(6)(a) (5)(a) Prior to the close of a biennium for which an estimate described in subsection (1)
  of this section has been made, the Legislative Assembly, by a two-thirds majority vote of all mem-
  bers elected to each [House] house, may enact legislation declaring an emergency and increasing
  the amount of the estimate prepared pursuant to subsection (1) of this section.
  (b) The prohibition against declaring an emergency in an act regulating taxation or exemption
  in section 1a[Article IX of this Constitution], of this Article does not apply to legislation enacted
  pursuant to this subsection.
[(7) (6) This section does not apply:
  (a) If, for a biennium or any portion of a biennium, a state tax is not imposed on or measured
  by the income of individuals.
  (b) To revenues derived from any minimum tax imposed on corporations for the privilege of
  carrying on or doing business in this state that is imposed as a fixed amount and that is nonappor-
  tioned (except for changes of accounting periods).
  (c) To biennia beginning before July 1, 2001.
Sec. 4. (1) If the Governor declares that a catastrophic disaster has occurred:
  (a) The Legislative Assembly may enact laws authorizing the use of revenue described in section
  3a, Article IX of this Constitution, for purposes other than those described in that section.
  [(b) The Legislative Assembly may, by a vote of the number of members of each house that consti-
  tutes a quorum under subsection (2) of section 3 of this Article, appropriate moneys that would other-
  wise be returned to taxpayers under section 14, Article IX of this Constitution, to state agencies for the
  purpose of responding to the catastrophic disaster.]
  [(c) Notwithstanding section 7, Article XI of this Constitution, the Legislative Assembly may
  lend the credit of the state or create debts or liabilities in an amount the Legislative Assembly
  considers necessary to provide an adequate response to the catastrophic disaster.
  [(d) The provisions of section 15, Article XI of this Constitution, do not apply to any law
  that is approved by three-fifths of the members of each house who are able to attend a session de-
  scribed in subsection (3) of section 3 of this Article.
  [(e) The Legislative Assembly may take action described in subsection (6) of section 15,
  Article XI of this Constitution, upon approval by three-fifths of the members of each house who are
  able to attend a session described in subsection (3) of section 3 of this Article.
  [(f) Notwithstanding section 4, Article XV of this Constitution, the Legislative Assembly
  may allocate proceeds from the State Lottery for any purpose and in any ratio the Legislative As-
  sembly determines necessary to provide an adequate response to the catastrophic disaster.
  (2) Nothing in this section overrides or otherwise affects the provisions of section 15b, Article
V of this Constitution.
SECTION 14a. (1) The amendment to section 14 of this Article and the amendment to
section 4, Article X-A of this Constitution, by Joint Resolution (2021) (LC 2896) apply to biennia beginning on or after July 1, 2021.
  (2) This section is repealed on June 30, 2025.
PARAGRAPH 2. The amendment proposed by this resolution shall be submitted to the people for their approval or rejection at the next regular general election held throughout this state.