



LatinoNetwork



Because facts matter.



SB 1569-1: Add race/ethnicity to Oregon Income Tax form

**Chief Sponsors: Sens. Rob Wagner, James Manning, Kayse Jama;
Reps. Greg Smith, Khanh Pham, Andrea Valderrama, Courtney Neron**

Plan: The idea: To collect taxpayer race/ethnicity data in order to examine tax policy and Oregon’s current tax structure to observe any race-related distributional impacts. This will help lawmakers, researchers, and advocates understand the implications of tax policy in a way that is not possible now.

A couple of caveats: SB 1569-1 charges the Department of Revenue (DOR) with creating a schedule to enable taxpayers to use the REAL-D (Race, Ethnicity, Language, and Disability) race and ethnicity identifiers as the list from which a taxpayer or joint filers may select up to three options. A firewall inside the department will ensure that the data will not be used by auditors or for tax compliance purposes. Taxpayers will be able to check a box that says “Choose not to answer” if they are uncomfortable reporting this information.

Method: The schedule will serve as an addendum to the personal income tax form, so that it is separable and flows to the research arm of the agency, rather than the tax compliance side. Instructions and nearly 40 race and ethnicity identifiers per taxpayer – with the opportunity for each individual to select a primary and up to two other categories – will be the content of this schedule, along with information explaining the purpose of the data collection and taxpayer protections.

Assurances: In addition to the firewalls inside DOR to protect these data, a section has been added to enable annual legislative oversight of the efficacy of these taxpayer protections.

Collaborations:

OEA and OCPP are the initial co-requesters of the bill. We have collaborated with the Coalition of Communities of Color, Urban League, Latino Network, NAYA, APANO, Forward Together Action, Causa, and other community-based BIPOC organizations. In addition to our chief sponsors listed above, we have added an additional 18 sponsors in both chambers.

We have applied for the formal endorsement of the BIPOC Caucus. Advocates have collaborated with the Director and staff of DOR to fine-tune the legislation. We have collaborated with the Legislative Revenue Office to brainstorm how best to write the bill for their research purposes as well. We have worked to make certain that this concept minimizes fiscal impact and operational issues. Finally, we have reached out to various tax preparers to ensure that this bill considers their operational concerns.

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