

Submitter: Gracelyn Meyers
On Behalf Of:
Committee: House Committee On Revenue
Measure, Appointment or Topic: HB4125

I oppose the changes proposed to the surplus revenue refund or the kicker credit for several reasons.

Firstly, Oregon already has one of the highest state income taxes in the country. Meaning we, as its citizens, already see less of our hard earned money actually hit our bank account than other state's citizens who work the same jobs. While it could be argued that it all evens out in the wash because we don't have state sales tax, our metro areas tend to have some of the highest property taxes in the nation and our "Death" tax or estate tax also has one of the lowest thresholds in the U.S. at just 1 million. Additionally, our gas tax ranks 12th highest in the nation (Gas Taxes by State, 2025). Accounting for all of this tax revenue plus the unmentioned revenue earned from other taxes, permits (including the recent paddleboard permits), lottery, ect, means that just because we don't have sales tax doesn't mean we are paying less to the government.

Secondly, the kicker was originally put in place to essentially force the government to stick to its own budgets 'The 1979 Oregon Legislative Assembly passed the "Two percent kicker" law as a way to control state spending. The law requires the state to compare the revenue forecast for each two-year biennium to the amount actually received and return any surplus to taxpayers.' -Fact Sheet: Oregon's Surplus Revenue "Kicker" Credit. This quote was taken from a post on one of the Oregon government's own websites. Most of the rest of the article goes on to explain how the kicker credit works, however, it also states that in the last two years the government had a surplus of 1.41 billion dollars. That is 1.41 billion dollars that the government did not originally need for their planned budgets. As it currently stands this money would go back to the tax payers to personally decide what to do with their money. Finally, despite numerous attempts to remove or change the kicker tax credit the Oregon populace has voted to keep it time and time again. It is protected by the Oregon constitution which it became a part of in 2000, so only a vote of the Oregon residents can change it. Again, every time a removal of the kicker credit has been proposed the people have voted against it.

Therefore, the kicker credit does not need to change because Oregon citizens are not paying enough taxes, nor does it need to change because the government should have access to funds that were not originally part of the budget. It has been proven that it is the will of the people to keep the kicker credit so continuing to attempt to change it is directly against the decisions and desires of the populace that the Oregon government is supposed to serve.