

Sales tax questions need answers

Senate Joint Resolution 36 was introduced in the Oregon Legislature, which would place on the ballot an amendment to the Oregon Constitution establishing a sales tax.

This would not be the first time approval of an amendment has been placed on the ballot. Oregon is one of only five states without a sales tax.

As a minimum, the following questions should be answered in order for Oregon voters to once again consider a sales tax.

1. What is the state trying to achieve by implementing a sales tax? Is the additional tax revenue necessary to meet current and/or future needs? Are the current or new requirements discretionary?

2. What efforts have been made to control or reduce revenue requirements? Are the new requirements for funding necessary or merely a lack of establishing priorities? How will the voters be assured these additional funds don't postpone the need to address expenditures?

3. Is there any efficiency that can be achieved with the arrival of new revenues? Does this new revenue reduce state government's need to be accountable for expenditures?



Tim Cowan
GUEST OPINION

4. How much of the future needs for funding are a result of new requirements placed on existing programs? An example would be additional requirements placed on our public education system.

5. Does the sales tax only reflect the state's lack of accountability, the lack of commitment and/or the capacity to create solutions?

6. How will the voters be convinced the state will be held accountable if they can merely increase revenue to make up for the lack of commitment to the best decisions for all parties? If the current members of state government are not held accountable by their oath of office, why would they all of a sudden hold themselves accountable?

7. What options are available to increase revenue other than a sales tax? Is the sales tax preferred because it gives the state an immediate boost in revenue?

8. Does a constitutional amendment give the state the authority to tax Oregonians at will, without requiring voter approval? How will the taxpayers be assured that the sales tax is not merely a stopgap? Will there be continued efforts to raise more revenue from different sources?

9. Why have voters, in the past, voted against the amendment? Have the voters rejected this amendment because they believe the sales tax is nothing more than additional revenue to solve perceived problems as opposed to reducing expenditures?

It's hard to hold the state accountable if they can just increase revenue to make up for the lack of commitment to the best decisions for all parties.

10. Will revenue from the sales tax be shared with local government? How will local government be held accountable for both increasing revenue and expenditures when funds are provided by the state without conditions?

The sales tax may be the last method for the voters to hold all levels of government accountable.

Tim Cowan of Salem is a retired senior vice president of First Interstate Bank of Oregon. He can be reached at tim@timcowan.biz.