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Please contact:

Cascade Policy Institute
4850 SW Scholls Ferry Rd.
Suite 103
Portland, Oregon 97225

Phone: (503) 242-0900
Fax: (503) 242-3822

www.cascadepolicy.org
info@cascadepolicy.org

QuickPoint! – Oregonians Should Oppose Measure 97's Regressive Taxation

By Steve Buckstein

The biggest proposed tax increase in Oregon history now has a measure number. Measure 97 on this November's ballot would create a 2.5 percent gross receipts tax on C corporations with Oregon sales above $25 million.

Contrary to union claims, Measure 97 will not simply tax big out-of-state corporations. As the non-partisan Legislative Revenue Office Report has found, it will act primarily as a consumption tax on Oregonians. The estimated cost of this tax is $600 per year per person, with lower-income households being hurt the most. It is an eight-times-larger tax increase than Measures 66 and 67, which voters approved six years ago.

"Corporate taxes" are really paid by individuals, including consumers in the form of higher prices, employees in the form of lower compensation, and owners in the form of lower profits. The union backers of Measure 97 know this but claim that it will simply make corporations "pay their fair share." This tactic is not only misleading, but if successful will harm every Oregon taxpayer.

Consumers will see price increases that in many cases will be much more than the stated 2.5 percent rate, without having any idea that the cause is Measure 97. As such, Measure 97 is the epitome of a regressive tax, and Oregonians should oppose it.

Steve Buckstein is Founder and Senior Policy Analyst at Cascade Policy Institute, Oregon's free market public policy research organization.

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