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QuickPoint! –
Homeowners, Business Owners, and Retirees: Multnomah County is Coming for Your Life Savings

By Eric Fruits, Ph.D.

If you're a Multnomah County homeowner, business owner, or have a retirement account, watch out for the May election. There's a measure on the ballot that's coming after you.

Measure 26-238 imposes a capital gains tax on Multnomah County residents. If you sell your home, you will pay the tax on the increased value since you bought it. If you sell your small business, you will pay on the gains from that sale. If you have a retirement account, every time you withdraw money, you will pay on the amount your investments grew over time.

Proponents say you don't have to worry because the tax is based on the IRS definition of capital gains. But that's not the whole story. That's because Measure 26-238 does not include any of the IRS *exemptions* from capital gains. Under this measure, Multnomah County will put you on the hook for all of it—even if the Feds don't tax it.

To make matters worse, Measure 26-238 clearly states that the tax rate is "adjustable." Most of us have been around long enough to know that when a tax rate is adjustable, the only way is up.

To make matters even worse, the money will be used to fund lawsuits by evicted tenants against property owners. Think about that: Landlords will be hit with a tax to fund lawsuits against themselves.

Multnomah County has the second-highest marginal individual income tax rate in the United States after New York City. Measure 26-238 will push us over the top.

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