Ecumenical Ministries of Oregon urges “Yes” vote to retain two revenue measures passed by 2009 Legislative Session
Religious group links support to education cuts, joblessness, and rising poverty in Oregon

Portland, Oregon - Ecumenical Ministries of Oregon (EMO) announced today that it is recommending a “Yes” vote on two tax increase measures that appear increasingly likely to be voted on at a special election on January 26, 2010.

The two bills—originally passed during the 2009 Session of the Legislature—are HB 34051, which increases specified corporate taxes and fees, and HB 26492, which increases the personal income tax rate for individuals reporting more than $125,000 in income, or for joint filers making more than $250,000 in a year. In total, both measures are expected raise $733 million in state general fund revenue during the 2009-2011 biennium and additional revenue in subsequent years.

“These measures are badly needed, both to restore tax fairness and to fund essential services like education, health care and public safety,” stated EMO’s board president, the Rev. Dr. Lowell Greathouse. “The current recession has not only caused state revenues to drop, it is also increasing poverty and homelessness, and creating record-shattering levels of unemployment here in Oregon. These measures only ask corporations and individuals who are continuing to prosper to do their part to maintain essential state services during the tough years ahead,” continued Greathouse. “We think this is consistent with religious teachings regarding the moral obligations of a just society.”

The recommendation came after a review of the measures by EMO’s Public Policy Committee and a vote of the EMO Board of Directors. The board voted unanimously, except for one abstention.
David Leslie, EMO executive director, stated that EMO expects to play an active role in engaging Oregon’s diverse religious communities in support of the measures. He also noted that defeat of the measures would mean not only an additional $733 million in budget cuts, but also the loss of some additional undetermined amount of federal funding if cuts are made to state programs that receive matching federal funds.

“Opponents of these measures claim, with little evidence, that the tax increases will lead to lost jobs, but we know that reduced general fund revenue and federal matching funds will mean more layoffs for public school teachers, reduced numbers of health and human service workers, or job cuts in the public safety sector,” said Leslie. “In fact, these revenue increases are one of the best things we can do for Oregon’s economy at this time, and they are the fair and just thing to do.”

Ecumenical Ministries of Oregon is a statewide association of Christian denominations—including Protestant, Roman Catholic and Orthodox bodies—congregations, ecumenical organizations and interfaith partners working together to improve the lives of Oregonians through community ministry programs, ecumenical and interreligious dialogue, environmental ministry and public policy advocacy. Please note: The Roman Catholic Archdiocese of Portland releases all public policy statements through the Oregon Catholic Conference.

1 HB 3405 raises the current $10 corporate minimum tax (which applies to corporations doing business in Oregon that report no profits in a tax year), and it increases the income tax rate on income above $250,000 made by profitable corporations. The rate increases from 6.6 to 7.9 percent through 2012, but beginning with 2013, the rate drops to 7.6 percent and would only apply to annual corporate profits over $10 million. It also increases certain fees paid by corporations, such as filing fees.

2 HB 2649 applies a personal income tax rate of 10.8 percent to taxable income above $125,000 for single filers and $250,000 for joint filers, and an 11.0 percent rate to taxable income above $250,000 for single filers and $500,000 for joint filers. These rates drop to 9.9 percent in subsequent years but continue to raise significant additional revenue at that level, since it is higher than the current 9 percent rate on this income.