



Vote YES on Measures 66 & 67 to Protect Kids & Schools!



Measures 66 & 67
on January 26!

TAKE ACTION:

- SIGN our pledge to vote YES! stand.org/or/pledge
- VOLUNTEER to get out the vote! To sign up for local opportunities, email us at orinfo@stand.org.
- SHARE the facts: stand.org/or/facts
- VOTE YES on January 26th!

MAKE SURE YOU'LL BE ABLE TO VOTE:

- Voter registration must be postmarked by January 5.
- If you've moved, you must re-register. Find out if your registration is current at stand.org/or/checkreg.
- Fill out your registration online at stand.org/register.

Oregon's schools have already made painful cuts.

In this difficult economy, everyone has taken a hit. This year, schools were forced to slash a half billion dollars from already stretched budgets. As a result, many children are facing a school year with fewer teachers, some of the largest class sizes in the nation, fewer days to learn, and little art, music, and PE.

Measures 66 & 67 on January's ballot will prevent further cuts.

Last spring, with the recession delivering a \$4 billion blow to the state's ability to pay for schools, public safety, and health care, the legislature enacted \$2 billion in cuts, drew on federal stimulus and reserves, and passed reasonable tax increases on corporations with more than \$250,000 in profit and Oregonians with more than \$250,000 in taxable income.

**If these increases are overturned,
schools and vital public services will face
at least an additional \$727 million in cuts.**

VOTE YES ON JANUARY 26 TO PROTECT OREGON SCHOOLS!

A recent report issued by the nonpartisan Legislative Revenue Office shows that if these tax measures are approved by voters on January 26, **Oregon's economy will actually be better off** than if we cut spending by that amount to balance Oregon's budget.*



VOTE YES TO PROTECT KIDS & SCHOOLS!

Your vote will help prevent hundreds of millions of dollars in additional cuts from schools, health care and public safety. The measures will have no impact on 97.5% of individual taxpayers, and the funds generated will go directly to education, human services, and public safety.

**Turn over for source notes and more facts on these measures.*



Tax FAQs

What will the moderate revenue increases passed by the legislature mean?

- **An increase in the corporate minimum tax rate for the first time since 1931.**
Currently, two-thirds of corporations doing business in Oregon pay just \$10 a year in the corporate minimum income tax. The new minimum will start at \$150—which is what most businesses will pay. Even large businesses will pay no more than one-tenth of 1% of their Oregon sales.¹
- **Increase the marginal tax rate on corporate profits above \$250,000 by 1.3%.**
Profitable corporations will, for the next couple of years, pay an additional 1.3% tax on profits above \$250,000. That means a corporation making \$260,000 in profits will pay an extra \$130 a year. Starting in 2013, the additional tax will drop down to 1%, and will only apply to profits over \$10 million.¹
- **An increase in the marginal tax rate by 1.8% for couples making more than \$250,000.**
This means a couple making \$260,000 in taxable income will pay an extra \$180. The tax rate on income over \$250,000 for individuals and \$500,000 for couples will increase by 2%. These new rates only apply to income above those levels. They are in effect until 2011—in 2012, the rate increase drops to 0.9%.¹
- **These tax increases will have no impact on 97.5% of individual taxpayers.¹**

If passed, how will the tax increases affect businesses and the economy?

A recent report issued by the nonpartisan Legislative Revenue Office shows that if the tax increases are approved, **Oregon's economy will actually be better off** than if state government cuts spending by that amount to balance its budget.² According to Legislative Revenue Officer Paul Warner, a state government “spending decrease has a larger negative impact on the economy than a tax increase does.”³

Bad schools equal bad business. Investing in education is key to economic recovery and Oregon's long-term economic health. **Every dollar invested in public education returns \$9 to the community.**⁴

How do our corporate taxes compare to other states?

Prior to passage of these measures, Oregon had the third lowest corporate income taxes in the nation, and the lowest corporate taxes on the West Coast. Under the new plan, **Oregon will still have the fifth lowest corporate taxes in the nation.**⁵ Washington's Business & Occupation tax, at 0.47%, is almost 5 times higher than Oregon's new corporate minimum tax, at 0.1% of Oregon sales, and has no upper limit on what corporations pay.¹

Sources:

1 - Defend Oregon, <http://defendoregon.org/thefacts.html>.

2 - Referendum 301 & 302 Revenue Measures, Research Report #6-09, Legislative Revenue Office, 2009.

3 - The Register-Guard, “Tax increases would help state economy more than cuts, report finds,” 10/1/09

4 - K-12 Spending and the Oregon Economy, ECONorthwest, 2002.

5 - The Oregonian, “A plea for accuracy in war of words over taxes,” 10/10/09.