

**For Immediate Release**

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## **Statement by OCPP Executive Director Chuck Sheketoff on Likely Ballot Measures: Yes Means Yes, No Means Trouble**

Misinformation and fear are driving the campaign to repeal the revenue measures enacted by the 2009 legislature. Should referenda be certified, Oregonians need to know the facts. They need to know that a “yes” vote will mean yes to education, yes to health and other human services, yes to our public safety system, yes to fixing our \$10 a year corporate minimum tax. A “no” vote will mean trouble.

Here are the basic facts about the personal income tax measure:

- It affects only about three of every 100 Oregonians — couples with \$250,000 or more income and individuals with \$125,000 or more in annual taxable income.
- If a couple earns less than \$250,000 or an individual taxpayer earns less than \$125,000, their taxes will not go up one penny.
- The measure reduces taxes for unemployed Oregonians.

Here are the basic facts about the corporate income tax measure:

- If a business is a sole proprietorship, the measure has no impact.
- If a business is an S-corporation (a corporation that does not pay federal corporate income taxes and passes profits on to shareholders), a limited liability company (LLC), a limited liability partnership (LLP) or an ordinary partnership, it will pay just \$150 under the measure.
- Before the enactment of the measure, two-thirds of all C-corporations paid only \$10 in income taxes — the minimum.
- Many profitable corporations pay only the corporate minimum tax, having reduced their tax liability to zero or less through the use of tax credit subsidies, losses carried forward from prior years, or both. About 5,100 profitable C-corporations paid the corporate minimum tax in 2006,

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Page 2

with 31 corporations with taxable income over \$1 million paying just \$10.

- With the measure, the minimum tax for C-corporations will go up to \$150 for corporations with Oregon sales of less than \$500,000. For C-corporations with sales of \$500,000 or more, the minimum increases on a sliding scale that amounts to no more than 15 cents for every \$100 of sales.

A “no” vote is trouble. Should opponents prevail, the corporate minimum tax would remain at \$10. Taxes would go up for the unemployed. The flow of federal dollars into Oregon’s economy would shrink. And in all likelihood, the legislature would be forced to cut further education, public safety and health and human services.

Facts matter, and that’s why we’ll be urging voters to vote “yes.”