

Tax Day Reality Check

Oregon Revenue and Spending Have Remained Stable

Oregonians' quality of life and the availability of economic opportunity depend in no small measure on the health of our public structures. The money raised and spent at the state and local levels educates our children, keeps our communities safe and provides health care and other services for our most vulnerable neighbors.

As a share of Oregonians' income, the general revenue collected and spent by Oregon's state and local governments has held steady over the course of three decades.

Among the key findings of this report:

- As a share of Oregonians' income, the own-source general revenue that state and local governments collect has remained fairly constant over the years, hovering around 15 percent of income since 1980, albeit with some fluctuations this decade.
- Since 1980, own-source state and local government general expenditures, which exclude federal aid, have hovered around 15 percent of income, about the same level as revenues.
- While revenues and expenditures have held steady overall, who pays for public services has shifted. Households are now paying a larger share of Oregon's income taxes than they did in the past, while corporations are paying a smaller share. Property taxes have also shifted away from businesses and onto individual homeowners.
- Rankings comparing Oregon to other states are not terribly helpful and can be misleading as they do not take into consideration states' particular circumstances. Oregon's ranking in terms of revenue and spending compared to other states doesn't indicate whether Oregon's spending levels are desirable or affordable.
- For what it's worth, Oregon ranks in the middle of the pack among states and the District of Columbia for both the revenue state and local governments generate and the money they spend as a share of personal income.

By collecting and spending revenue, our state and local governments carry out the roles we expect of them: building roads, maintaining police and firefighting services and operating courts, libraries, schools and parks. In creating and maintaining these public structures, Oregon's state and local governments are asking no more of Oregonians today than since the 1980s. As a share of Oregonians' income, both revenue and spending have been holding steady since 1980.