

Citizens for Tax Justice Blog

More on the Journal's Bogus Oregon Migration Story

January 7, 2011 3:04 PM

Two weeks ago, while most people were headed home for the holidays, the Wall Street Journal put out an extremely misleading and factually inaccurate [editorial](#) suggesting that up to 10,000 wealthy Oregonians fled the state because of a recent tax increase. Both [ITEP](#) and the [Oregon Center for Public Policy \(OCPP\)](#) quickly responded with information refuting this claim.

The Journal's claim hinges on the fact that 10,000 fewer Oregonians were affected by a tax increase on incomes over \$250,000 than the state's Legislative Revenue Office (LRO) originally expected. Armed with just this single piece of information, the Journal enthusiastically jumped to the conclusion that 10,000 wealthy Oregonians must have moved to states like Texas, which lack an income tax. But as ITEP points out in its [report](#), Oregon's shortage of high-income filers was accompanied by an even larger surplus of filers lower down the income distribution. This strongly suggests that wealthy Oregonians simply earned less income (due to the recession) than the LRO expected. And indeed, the LRO made this point explicitly when it released the data that eventually sparked the Journal's editorial.

The analyses produced by ITEP and the OCPP were subsequently picked up by [The Providence Journal](#), [The New Republic](#), the [Center for Budget and Policy Priorities \(CBPP\)](#), and [numerous other outlets](#).

But the Wall Street Journal has continued to stick to its baseless narrative, publishing [two letters to the editor](#) echoing its claim about the damage done by Oregon's tax increase.

If past experience is any guide, talk of tax-induced migration from Oregon isn't likely to fade any time soon. As ITEP reminds readers in its [report](#), this most recent editorial very closely resembles a pair of editorials the Journal released in 2009 and 2010 claiming that Maryland's millionaires had fled the state because of a similar tax increase. Just as with this editorial, the Maryland editorials were both misleading and factually inaccurate, though they were still very influential in the debate over taxing high-income earners in Maryland and other states. The steady stream of misinformation from the Journal isn't likely to subside any time soon.