

Who's Getting Stuck with RALs? HB 3076 would help Oregon's low-income families

Refund Anticipation Loans (RALs) are transferring substantial amounts of refunded tax dollars intended to support low-wage working families into the pockets of tax preparation companies. Much of the fees tax preparers collect from these loans come out of Earned Income Credit (EIC) refunds. The EIC is a federal income tax credit designed to honor work, keep families together, reduce poverty, and offset the payroll taxes of workers in low-paying jobs. In Oregon, nearly two-thirds (63 percent) of Refund Anticipation Loan customers in 2004 were EIC recipients, and 18 percent of EIC recipients used Refund Anticipation Loans.

HB 3076 would add consumer protections to RALs. The tables below show, by state House and Senate districts, the share of Oregon's RAL recipients in 2004 who claimed the EIC, and the share of EIC recipients getting RALs.

RALs by Oregon Senate District					
Senate District	Senator	Total # RALs	# EIC recipients with RALs	% of RALs going to EIC recipients	% of EIC recipients getting RALs
1	Kruse	2,764	1,720	62%	20%
2	Atkinson	2,286	1,508	66%	17%
3	Bates	1,984	1,357	68%	15%
4	Prozanski	1,628	1,023	63%	14%
5	Vergger	2,609	1,776	68%	21%
6	Morrisette	2,192	1,479	67%	18%
7	Walker	1,854	1,169	63%	15%
8	Morse	1,624	1,015	63%	17%
9	Beyer	2,502	1,519	61%	21%
10	Winters	2,636	1,735	66%	25%
11	Courtney	3,240	2,201	68%	25%
12	George, G.	2,301	1,448	63%	20%
13	George, L.	2,014	1,263	63%	20%
14	Deckert	1,502	869	58%	16%
15	Starr	1,569	918	59%	14%
16	Johnson	2,388	1,385	58%	20%
17	Avakian	1,391	740	53%	14%
18	Burdick	1,063	586	55%	13%
19	Devlin	730	378	52%	11%
20	Schrader	1,876	1,133	60%	19%
21	Brown	1,664	948	57%	13%
22	Carter	2,735	1,838	67%	22%
23	Gordley	1,924	1,188	62%	16%
24	Monroe	2,737	1,848	68%	21%
25	Monnes Anderson	2,430	1,536	63%	21%
26	Metsger	1,848	1,076	58%	15%
27	Westlund	2,347	1,444	62%	17%
28	Whitsett	2,204	1,487	67%	16%
29	Nelson	2,933	1,907	65%	23%
30	Ferrioli	2,640	1,813	69%	20%
Senate District Average		2,120	1,344	62%	18%

Source: OCPP presentation of IRS data for the 2004 tax year compiled and sorted into legislative districts by the Brookings Institution.

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RALs by Oregon House District					
House District	Representative	Total # RALs	# EIC recipients with RALs	% of RALs going to EIC recipients	% of EIC recipients getting RALs
1	Kreiger	1,251	799	64%	18%
2	Morgan	1,513	922	61%	22%
3	Maurer	1,184	800	68%	17%
4	Richardson	1,102	708	64%	16%
5	Buckley	795	529	67%	12%
6	Esquivel	1,189	828	70%	19%
7	Hanna	1,063	684	64%	16%
8	Holvey	565	340	60%	11%
9	Roblan	1,327	903	68%	22%
10	Cowan	1,282	874	68%	21%
11	Barnhart	831	530	64%	15%
12	Beyer	1,360	949	70%	21%
13	Nathanson	753	463	62%	13%
14	Edwards, C.	1,101	706	64%	17%
15	Olson	1,188	781	66%	22%
16	Gelser	436	234	54%	10%
17	Girod	1,400	877	63%	23%
18	Gilliam	1,102	642	58%	19%
19	Cameron	1,435	947	66%	26%
20	Berger	1,201	788	66%	24%
21	Clem	1,707	1,163	68%	26%
22	Komp	1,534	1,039	68%	24%
23	Boquist	1,251	759	61%	22%
24	Nelson	1,050	689	66%	19%
25	Thatcher	1,380	925	67%	24%
26	Krummel	634	338	53%	13%
27	Read	678	393	58%	16%
28	Barker	824	477	58%	16%
29	Riley	735	450	61%	14%
30	Edwards, D.	834	469	56%	15%
31	Witt	1,152	659	57%	20%
32	Boone	1,236	726	59%	20%
33	Greenlick	561	253	45%	11%
34	Bonamici	829	487	59%	16%
35	Galizio	702	434	62%	17%
36	Nolan	361	153	42%	8%
37	Bruun	510	272	53%	13%
38	Macpherson	219	107	49%	7%
39	Scott	874	523	60%	18%
40	Hunt	1,003	610	61%	19%
41	Tomei	1,011	606	60%	17%
42	Rosenbaum	653	343	52%	10%
43	Shields	1,142	764	67%	19%
44	Kotek	1,593	1,073	67%	25%
45	Dingfelder	982	614	63%	18%
46	Cannon	942	574	61%	15%
47	Merkley	1,298	891	69%	21%
48	Schauffer	1,440	957	66%	20%
49	Minnis	1,331	863	65%	21%
50	Lim	1,099	673	61%	20%
51	Flores	1,011	602	60%	17%
52	Smith, P.	837	474	57%	13%
53	Whisnant	1,265	800	63%	18%
54	Burley	1,082	644	60%	16%
55	Gilman	1,069	699	65%	15%
56	Garrard	1,135	789	70%	17%
57	Smith, G.	1,318	878	67%	20%
58	Jenson	1,615	1,029	64%	25%
59	Dallum	1,503	1,008	67%	22%
60	Butler	1,136	805	71%	18%
House District Average		1,060	672	62%	18%

Source: OCPP presentation of IRS data for the 2004 tax year compiled and sorted into legislative districts by the Brookings Institution.