



## OREGON HOUSE REPUBLICANS

**FOR IMMEDIATE RELEASE**

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### **HOUSE REPUBLICANS SUPPORT PLAN TO PROVIDE TAX FAIRNESS, HELP WORKING FAMILIES WITH RISING COSTS**

*Plan Protects Lower Income Workers from Higher Tax Brackets*

SALEM—House Republicans today announced their support for a plan to provide tax fairness to working families. The plan, proposed by Sen. Ted Ferrioli (R-John Day) and other Senate Republicans, would reform the state's tax brackets and enable working families to pay less tax on their personal income.

“Families are struggling to keep up with Oregon's rising fuel and food costs,” said Rep. Vicki Berger (R-Salem), Vice Chair of the House Revenue Committee. “By reforming the state's tax brackets, we can allow Oregonians to keep more of what they earn. The Republican plan will save families hundreds of dollars every year, and pump millions of dollars into our stagnating economy.”

Under Oregon's marginal tax rate structure, a worker making \$10 an hour pays the same tax rate as an Oregonian making \$80 an hour. The Republican plan provides greater fairness by doubling the size of Oregon's 5 percent, 7 percent and 9 percent tax brackets.

“Our current tax system fails to protect lower-income workers from higher tax brackets,” said Rep. Scott Bruun (R-West Linn), a House Revenue Committee member. “As a result, lower-income Oregonians must first give a larger share of their income to the state, before meeting their most basic needs.”

Nearly 2 million Oregonians would benefit from tax relief, with the greatest tax relief going to families earning less than \$30,000. According to the Legislative Revenue Office (LRO), these taxpayers would experience tax relief of 22 percent, while taxpayers with income over \$100,000 would receive an average tax reduction of just under three percent. With more dollars flowing into Oregon's stagnating economy, LRO estimates the plan could create over 19,900 new jobs.

The plan is expected to cost \$360 million, a small share of a state budget that is expected to increase by nearly 21 percent in 2009-11.

“In 2009, House Republicans will work to give tax relief to working families and increase accountability for their tax dollars,” said Rep. Kevin Cameron (R-Salem), who

will co-sponsor the plan in the House. “Providing tax relief and fairness is a key component of our agenda for the upcoming session.”

The proposal is part of the House Republicans’ 2009 agenda, [Building a Better Oregon](#).

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