

SENATE REVENUE COMMITTEE

January 17, 2001 — 8:30 A.M. - HEARING ROOM A - STATE CAPITOL BUILDING

Members Present: Senator Ted Ferrioli, Chair

Senator Lee Beyer, Vice Chair

Senator Susan Castillo

Senator Tony Corcoran

Senator Gary George

Senator John Minnis

Senator Charles Starr

Staff: Paul Warner, Legislative Revenue Officer

Richard Yates, Economist, Legislative Revenue Office

Carol Phillips, Committee Assistant

TAPE 0901, SIDE A

- 004 Chair Ferrioli Meeting called to order at 8:35 a.m.
- 013 Warner To clarify information discussed at yesterday's meeting, Mr. Warner distributed a sheet entitled "Distribution of Number of Filers and Tax Due By AGI Level". Exhibit 1.
- General discussion, and questions and answers interspersed.
- 205 Warner To answer a committee member's question from yesterday's meeting, Mr. Warner

distributed a sheet showing how Oregon ranks among the other states in terms of income tax threshold for a family of three. Oregon is in the top half, and particularly high for those 25% above the poverty line. Oregon's personal income taxes are second highest in the country. Exhibit 2.

- 270 Richard Yates Began discussion on Excise Taxes. Page 1, upper slide. Explained that excise taxes are placed on cigarettes, other tobacco products, beer and wine, winemaking ingredients, and liquor. Excise taxes are based on the volume of what is purchased, not on the dollar value of what is purchased. Exhibit 3.
- 317 Yates Discussed page 1, lower slide: Cigarette Tax Rates.
- 356 Yates Discussed page 2, upper slide: Tax Ranking 2000: State Excise. Questions and answers interspersed.
- 378 Yates Discussed page 2, lower slide: Tax Ranking 2000: Sales + Excise. General discussion, and questions and answers interspersed.

TAPE 010, SIDE A

- 020 Yates Continued discussion of page 2, lower slide.
- 091 Yates Discussed page 3, upper slide: 1999-2001 Cigarette Tax Revenue. Questions and answers interspersed.
- 118 Yates Discussed page 3, lower slide: Other Tobacco Products.

Questions and answers interspersed.
- 286 Yates Discussed page 4, upper slide: State Ranking (1998).

302 Yates Discussed page 4, lower slide: 1999-2001 Other Tobacco Revenue.

302 Yates Discussed page 5, upper slide: Revenue From Tobacco.

Questions and answers interspersed.

330 Yates Discussed page 5, lower slide: Beer Tax Rates.

Questions and answers followed.

362 Yates Discussed page 6, upper slide: Beer Excise Tax: 2000.

372 Yates Discussed page 6, lower slide: Beer: Excise + Sales: 2000.

408 Yates Discussed page 7, upper slide: Beer Tax Revenue.

426 Yates Discussed page 7, lower slide: Wine Tax Rates.

General discussion and comments interspersed.

TAPE 009, SIDE B

046 Yates Discussed page 8, upper slide: Table Wine 2000: Excise.

051 Yates Discussed page 8, lower slide: Table Wine 2000: Excise + Sales.

061 Yates Discussed page 9, upper slide: 1990-2000 Wine Tax Revenue.

069 Yates Discussed page 9, lower slide: Wine Tax

Revenue.

- 085 Yates Discussed page 10, upper slide: Agricultural Ingredients.
- 094 Yates Discussed page 10, lower slide: Liquor Markup, which currently is approximately 103%..
- 109 Yates Discussed page 11, upper slide: Liquor Sales.
Questions and answers followed.
- 173 Yates Discussed page 11, lower slide: 1999-2000 OLCC Revenue.
Questions and answers interspersed.
- 192 Yates Discussed page 12, upper slide: 1999-2000 OLCC Expense & Distribution.
General discussion followed.
- 232 Yates Discussed page 12, lower slide: Net OLCC Revenue.
- 252 Yates Discussed page 13, upper slide: 1999-2000 OLCC Distribution.
- 266 Yates Discussed page 13, lower slide: Distribution Formula.
- 300 Yates Discussed page 14, upper slide: OLCC Distributions.
Discussion, and questions and answers interspersed.
- 374 Warner Reminded the members of tomorrow's public

hearing and possible work session.

383 Chair Farrioli Adjourned the meeting at 9:55 a.m.

Submitted by, Reviewed by,

Carol Phillips Kim Taylor James

Committee Assistant Revenue Office Manager

Exhibit Summary:

1. Warner, Distribution of Number of Filers and Tax Due by AGI Level, 2 pp.
2. Warner, 1994 State Individual Income Taxes and Rankings by Tax Amount, 2 pp.
3. Yates, Excise Taxes, 14 pp.