

Tapes 65-66 A/B  
Oregon Tax System

SENATE COMMITTEE ON  
REVENUE AND SCHOOL FINANCE  
MARCH 3, 1993 1:00 AM HEARING ROOM A STATE CAPITOL BUILDING

Members Present: Senator Shirley Gold, Chair  
Senator Paul Phillips, Vice-Chair  
Senator Brady Adams  
Senator Ron Cease ~1:42 arrive 1)  
Senator Rod Johnson ~1:20 arrival)  
Senator Peg Jolin  
Senator Tricia Smith  
Witnesses Present: Senator Bob Kintigh  
Representative Bill Markham

Staff: James Scherzinger, Legislative Revenue Officer  
Steve Bender, Legislative Revenue Office  
Jennifer Belkle, Committee Assistant

TAPE 65 SIDE A

001 CHAIR GOLD called the meeting to order at 1:15 p.m.

015 STEVE BENDER directed members' attention to the summary of the Oregon Tax System testimony. Exhibit 1.

025 CHAIR GOLD clarified that this week's meetings will be accepting testimony from legislators and legislative staff only.

045 STEVE BENDER directed members' attention to the comprehensive schedule of the tax proposals currently under consideration in the House or Senate. Exhibit 2.

055 SEN. KINTIGH commented on his proposal, SJR19.

070 STEVE BENDER outlined the concept of an equal tax. He explained that this proposal would eliminate the existing state and local taxes and fees and establish in lieu a 2% tax on all trade within the state and trade between Oregon persons and persons outside the state.

095 JIM SCHERZINGER testified briefly regarding the 2% Equal Tax. He explained that when he analyzed this proposal, he examined the issues that a legislative body should think about when considering this proposal. He also studied the issue to determine if the specific language of the measure achieved what he perceived to be its intent.

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These minutes paraphrase and/or summarize statements made during this meeting. Text enclosed in quotation marks reports the speakers exact words. For complete context of proceedings, please refer to the tape recording.  
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120 JIM SCHERZINGER discussed three issues of concern with an equal tax. Questions and discussion.

200 STEVE BENDER discussed the tax proposals that will be reviewed this week. He explained in detail the gross receipts tax. He discussed 4 proposals that would rely primarily on revenue from a gross receipts tax

and 3 proposals that hinge primarily on a sales tax. He outlined briefly the Oregon School Board plan that calls for a 5% sales tax, the proceeds of which go exclusively towards education.

342 STEVE BENDER reviewed the Speaker's plan (HJR 60) which includes a property tax proposal. --

378 STEVE BENDER directed member's attention to Representative Josi's plan. While this proposal has not been put forth for consideration this session, Representative Josi wanted the Committee to have this information.

TAPE 66 SIDE A

001 CHAIR GOLD directed members' attention to LC 3784 a proposal drafted at the request of the Oregon Young People's Caucus. Exhibit 3.

020 MOTION: CHAIR GOLD moved for the introduction of LC 3784 at the request of the Oregon Young People's Caucus.

025 ORDER: Hearing no objections, the Chair so ordered.

028 JIM SCHERZINGER provided detailed testimony on the basic structure and provisions of HJR 44.

215 SEN. JOLIN presented her tax proposal that revolves around an equal tax. Exhibit 4.

TAPE 65 SIDE B

001 SEN. JOLIN continued her testimony regarding her tax proposal.

101 REP. MARKHAM spoke to the Committee regarding HJR 44 and his concern with any proposed tax reform.

Questions and discussion.

260 STEVE BENDER continued testimony from previous weeks in regard to tax principles and goals of the state tax system. Exhibits 6-8

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from 2-11-93 meeting. He specifically spoke regarding the gross receipts tax.

Questions and discussion interspersed.

TAPE 66 SIDE B

001 STEVE BENDER continued his testimony on a gross receipts tax.

Questions and discussion.

095 STEVE BENDER briefly discussed the changes in the current sales tax proposals.

132 CHAIR GOLD adjourned the meeting at 3:00 p.m.

Jenni ~ Belkle, ittee Assistant

Kimberly Taylor, Office Manager

Exhibit Summary

1. Bender, Oregon Tax System Summary of Testimony, 3-3-93

2. Bender, Tax Reform Proposals, 3-3-93

3. LC 3784, 3-2-93

4. Jolin, SJR31 (LC 2561), 3-1-93

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