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Instructions To Voter

Use A Pencil or Pen

(Blue or Black Ink)

To ensure your vote counts, completely fill in the oval  to the left of the response of your choice.

Attention!

Remember to inspect your ballot for mistakes! If you make a mistake or damage your ballot, call your County Elections Office to ask for a replacement ballot.

WARNING

Any person who, by use of force or other means, unduly influences an elector to vote in any particular manner or to refrain from voting is subject to a fine. (ORS 254.470)

State Measures

21

REFERENDUM ORDER BY PETITION OF THE PEOPLE

66

Raises tax on household income at and above \$250,000 (and \$125,000 for individual filers). Reduces income taxes on unemployment benefits in 2009. Provides funds currently budgeted for education, health care, public safety, other services

Result of "yes" vote:

"Yes" vote raises taxes on income at and above \$250,000 for households, \$125,000 for individual filers. Tax rate increases 1.8 percentage points on amount of taxable income between \$250,000 and \$500,000, 2 percentage points on amount above \$500,000 for households. For individual filers, the rate increases begin at \$125,000 and \$250,000 respectively. Eliminates income taxes on the first \$2,400 of unemployment benefits received in 2009. Raises estimated \$472 million to provide funds currently budgeted for education, health care, public safety, other services.

Result of "no" vote:

"No" vote rejects tax changes on income at and above \$250,000 for households, \$125,000 for individual filers. Rejects tax exemption for first \$2,400 of unemployment benefits received in 2009. Leaves amount currently budgeted for education, health care, public safety, other services underfunded by estimated \$472 million.

Summary:

Under current law, a marginal tax rate of 9% applies to taxable household income over \$15,200 (or \$7,600 for individual filers), taxpayers may deduct federal income taxes paid, and unemployment compensation is taxable. Measure eliminates income taxes on first \$2,400 of unemployment benefits received in 2009. For tax years 2009-2011, the measure increases tax rate 1.8 percentage points on amount of household income between \$250,000 and \$500,000, by 2 percentage points on amount above \$500,000 (for individual filers, rate increases begin at \$125,000 and \$250,000, respectively). For the tax year beginning 2012, the tax rate for households with income above \$250,000 (above \$125,000 for single filers) will drop to 9.9%. Measure does not increase tax rate on household income below \$250,000 (below \$125,000 for individual filers). For households with adjusted gross income at or above \$250,000 (or \$125,000 for individual filers), reduces federal income tax deduction. Raises \$472 million to provide funds currently budgeted for education, health care, public safety, other services. Because some state money brings in federal matching funds, Oregon will likely receive more federal money if measure passes than if it fails. Other provisions.

Estimate of financial impact:

This measure increases General Fund revenues for the state budget between \$217 million and \$242 million per year for fiscal years 2010, 2011, and 2012. The measure increases revenues by approximately \$180 million per year thereafter, depending upon growth in personal income and federal tax liability.

Revenue from this measure is included in the 2009-11 state budget. Failure of the measure will reduce revenues expected to be available for expenditures in the 2009-11 state budget by \$472 million. This could result in reduced state-shared revenues to schools and local governments. Failure of the measure also may result in a reduction of federal funds that are used to pay for some state services.

Failure of the measure may limit the state's ability to borrow money. It also may have a negative impact on the state's credit rating which could increase the cost of future borrowing by the state and local governments.

Yes

No

67

Raises \$10 corporate minimum tax, business minimum tax, corporate profits tax. Provides funds currently budgeted for education, health care, public safety, other services

Result of "yes" vote:

"Yes" vote raises \$10 corporate minimum tax, establishes \$150 minimum tax for most businesses or minimum tax of approximately 0.1% of total Oregon revenues for some corporations with over \$500,000 in Oregon revenues. Raises tax rate some corporations pay on profits by 1.3 percentage points. Increases certain business filing fees. Raises estimated \$255 million to provide funds currently budgeted for education, health care, public safety, other services.

Result of "no" vote:

"No" vote retains \$10 corporate minimum tax, rejects \$150 minimum tax, rejects raising corporate profits tax, other changes. Leaves amount currently budgeted for education, health care, public safety, other services underfunded by estimated \$255 million.

Summary:

Under current law, corporations conducting business in Oregon pay \$10 minimum tax; tax has not changed since 1931. Some corporations pay a profits tax of 6.6%. All other businesses pay no minimum or profits tax. Beginning in tax year 2009, the Measure increases \$10 minimum corporate tax to \$150; some corporations with over \$500,000 in Oregon revenues will pay minimum tax of approximately 0.1% of Oregon revenues. Limits tax to \$150 for S corporations and partnerships. Sole proprietors are not impacted by this measure. Raises tax rate some corporations pay on profits by 1.3 percentage points until 2011; increase then drops to 1 percentage point and as of 2013, applies only to profits over \$10 million. Corporations pay minimum tax or profits tax, not both. Increases filing fees by \$50 for Oregon businesses, by \$225 for out of state businesses. Raises estimated \$255 million to provide funds currently budgeted for education, health care, public safety, other services. Because some state money brings in federal matching funds, Oregon will likely receive more federal money if measure passes than if the Measure fails. Other provisions.

Estimate of financial impact:

This measure increases revenues for the state budget between \$118 million and \$138 million per year for fiscal years 2010, 2011, and 2012, primarily for the General Fund. The measure increases revenues by approximately \$123 million per year thereafter, depending upon growth in corporate profits and sales.

Revenue from this measure is included in the 2009-11 state budget. Failure of the measure will reduce revenues expected to be available for expenditures in the 2009-11 state budget by \$255 million. This could result in reduced state-shared revenues to schools and local governments. Failure of the measure also may result in a reduction of federal funds that are used to pay for some state services.

Failure of the measure may limit the state's ability to borrow money. It also may have a negative impact on the state's credit rating which could increase the cost of future borrowing by the state and local governments.

Yes

No

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