

**SAMPLE BALLOT • SPECIAL ELECTION
LINCOLN COUNTY, OREGON • JANUARY 28, 2003**

**INSTRUCTIONS TO VOTER
USE A PENCIL ONLY**

TO VOTE, COMPLETELY BLACKEN THE
OVAL (●) TO THE LEFT OF THE
RESPONSE OF YOUR CHOICE.

STATE MEASURE

REFERRED TO THE PEOPLE
BY THE LEGISLATIVE ASSEMBLY

**28 TEMPORARILY INCREASES
INCOME TAX RATES.**

YES	RESULT OF "YES" VOTE: "Yes" vote increases income tax rates for three years.
NO	RESULT OF "NO" VOTE: "No" vote does not increase income tax rates.

SUMMARY: This measure increases income tax rates for three years.

For personal income taxpayers filing single returns, this measure increases the rate of tax on taxable income of more than \$6,450 from 9 percent to 9.5 percent. For taxpayers filing joint returns, this measure increases the rate of tax on taxable income of more than \$12,900 from 9 percent to 9.5 percent.

For corporations, this measure increases the rate of tax on taxable income from 6.6 percent to 6.93 percent.

The increased rates apply to taxable income earned in the 2002, 2003 and 2004 tax years. This measure restores the existing tax rates for 2005 and later tax years.

ESTIMATE OF FINANCIAL IMPACT: This measure increases income tax rates for three years. This measure is estimated to raise the following amounts for each July 1 to June 30 fiscal year:

<u>Fiscal Year</u>	<u>Amount</u>
2002-2003:	\$313 million
2003-2004:	\$247 million
2004-2005:	\$164 million

It is estimated that this measure will increase Oregon personal income taxes for the average personal income taxpayer by \$114. For the 2002 tax year, the average increase in personal income taxes for taxpayers at different income levels is estimated to be as follows:

	Average Change in
<u>Adjusted Gross Income Level</u>	<u>Overall Income Tax</u>
Less than \$10,000	\$ 0
\$10,000 to \$20,000	\$ 17
\$20,000 to \$30,000	\$ 49
\$30,000 to \$40,000	\$ 80
\$40,000 to \$50,000	\$ 107
\$50,000 to \$75,000	\$ 148
\$75,000 to \$100,000	\$ 212
\$100,000 to \$200,000	\$ 385
Over \$200,000	\$1,686
All returns	\$ 114

These estimates take into account changes in the federal deduction for state taxes.