

Our View



123RF
Oregonians could end up paying 8.75% tax on their federal stimuli payments unless state lawmakers intervene with new legislation.

Keep taxes off stimulus checks

The federal stimulus checks helped a lot of Oregonians out when they needed it. And it also is going to help out Oregon government.

The federal government is not taxing the stimulus payments. But Oregon does tax the stimulus payments at the state's tax rate of 8.75%.

According to the Legislative Revenue Office, a couple who received \$3,400 in stimulus payments would have to pay about \$298. That could mean your tax refund loses a chunk, or it could mean you end up owing taxes because of the stimulus payment.

Not exactly what most folks would anticipate when it came to the federal assistance.

That tax is going to put about \$100 million in revenue into state coffers for the 2019-21 biennium and another \$9 million in 2021-23, according to the Oregon Legislative Revenue Office.

Does that sound right to you? The stimulus checks sure seemed to be for helping individuals, not helping state government.

This is not some scheme that came about from Gov. Kate Brown. This has been part of Oregon's tax code for a while.

Back in 2008, under the second Bush administration, millions of American's received one-time stimulus payments as part of the \$152 billion Economic Stimulus Act of 2008 at the start of the Great Recession, and Oregonians had to pay taxes on the checks they received.

U.S. Rep. Peter DeFazio, a Democrat, wants state lawmakers to pass a bill to eliminate the tax liability the state requires Oregonians to pay on federal stimulus payments. State Sen. Dick Anderson, R-Lincoln City, is working on such a proposal that could drop early next week. State Sen. Bill Hansell, R-Athena, said he does not think the state should tax the payments and there seems to bipartisan support along those lines. The idea has at least half a nod from Oregon House Speaker Tina Kotek, a Democrat. A spokesperson said Kotek "supports the House Revenue Chair evaluating this issue."

But lawmakers should act fast on this matter because of earlier tax filers. Fixes to not tax the stimulus payments should take those Oregonians into account as well.

Tell your legislator what you think.

Contact your representatives

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Other views

Act will protect more Oregon rivers and streams



RON WYDEN
U.S. SENATOR

Oregon is special for many reasons. But two attributes are near and dear to my heart: our state's unmatched natural treasures and our firm commitment to democracy that I call the "Oregon Way."

With those attributes in mind, I was proud this month, along with Sen. Jeff Merkley, to introduce the River Democracy Act.

The legislation proposes to protect our natural treasures by adding nearly 4,700 miles of rivers and streams in Oregon to the national Wild and Scenic Rivers system — the largest Wild and Scenic Rivers effort in U.S. history.

And the bill takes its name from the fact that the proposed rivers and stream additions came directly from more than 15,000 nominations submitted by Oregonians statewide.

That open public process encouraged Oregonians to nominate rivers that are outstanding for their recreation, fish and wildlife habitat, or because they provide clean drinking water. This bill represents, for example, nominations for the Umatilla River and Middle Fork John Day by the Confederated Tribes of the Umatilla Indian Reservation.

In addition to reflecting Oregonians' desire to protect our spectacular rivers for generations to come, the bill would continue to rev up our state's outdoor recreation economy — which, according to the Outdoor Recreation Industry, supports 224,000 jobs statewide and generates \$15.6 billion in consumer spending. The legislation was crafted with the input of small businesses across Oregon who know these protections support hunting, fishing, and outdoor recreation, and will help them as they fight to recover from the pandemic as more and more Oregonians find refuge and safety in the outdoors.

And we did this the "Oregon Way." We solicited nominations from the people who interact with these rivers every single day. And we listened to concerns these folks were having in real time by taking a 21st century conservation approach that considers the climate emergency and the sobering risks that wildfire poses to Oregon families and small businesses.

In the devastating aftermath of the historic infernos that ripped through Oregon communities this past fall, I made sure the River Democracy Act takes multiple, necessary steps to protect homes, businesses, and our state's special places from wildfires.

Those steps include the requirement that federal land management agencies assess the risks of wildfire

in Wild and Scenic River corridors as well as near homes and businesses, and develop a risk reduction plan that must be implemented immediately.

The bill also allows federal land management agencies to enter into cooperative wildfire-fighting agreements with states and local governments and establishes a federal grant program for states and local governments to help repair drinking water quality, watersheds, and infrastructure.

I intend this bill to protect federal public land, and believe strongly that private property rights must be upheld. This includes farming and ranching, which are vital to many local economies around the state. The legislation takes great care to state in plain English that "Nothing in this Act or an amendment made by this Act affects private property rights."

And finally, the bill includes language that explicitly makes it clear that valid or vested water rights will not be affected; and the state of Oregon can still administer water rights in accordance with state laws and regulations.

So it's in the true spirit of the "Oregon Way" that the proposed River Democracy Act now opens a new round of conversation among us as Oregonians.

Ron Wyden is Oregon's senior U.S. senator.

Letter to the editor

HB 2379 is key to restoring some of your tax dollars

For decades, corporate timber companies benefited from tax cuts that cut local county budgets across the state. Residents also suffered when they were forced to make up for the losses to maintain schools and other county programs as a result of those corporate tax cuts.

Taxpayers have increasingly been asked to make up the difference and for some counties and residents in the state that meant higher property taxes, fees or cuts to existing programs and services.

What we do know is that Oregon timber companies previously paid a severance tax on the value of the trees they logged. And these timber barons have not paid their fair share because lawmakers passed a series

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of lopsided tax cuts that resulted in lowering the funding provided to schools and local governments.

What can and should be done? House Bill 2379 before the Oregon Legislature is key to restoring some of your tax dollars. The bill imposes a severance tax on owners of timber at time of harvest at 5% of value of the timber and directs revenue from the severance tax into the Emergency Wildfire Fund.

Let's face it, if you think about the demographics in counties — they've been hit hard by logging,

the people are relatively strapped, and so when the local option comes up for large timber companies and says, "We're going to increase your property taxes, we're going to pass this measure, do you voluntarily support it?" They say "NO!"

Just look at a fire services proposal to merge the city of Union's fire department and the Union Rural Fire Department and you kind of get a picture for how tax forgiveness works.

*Randy Knop
Union*

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