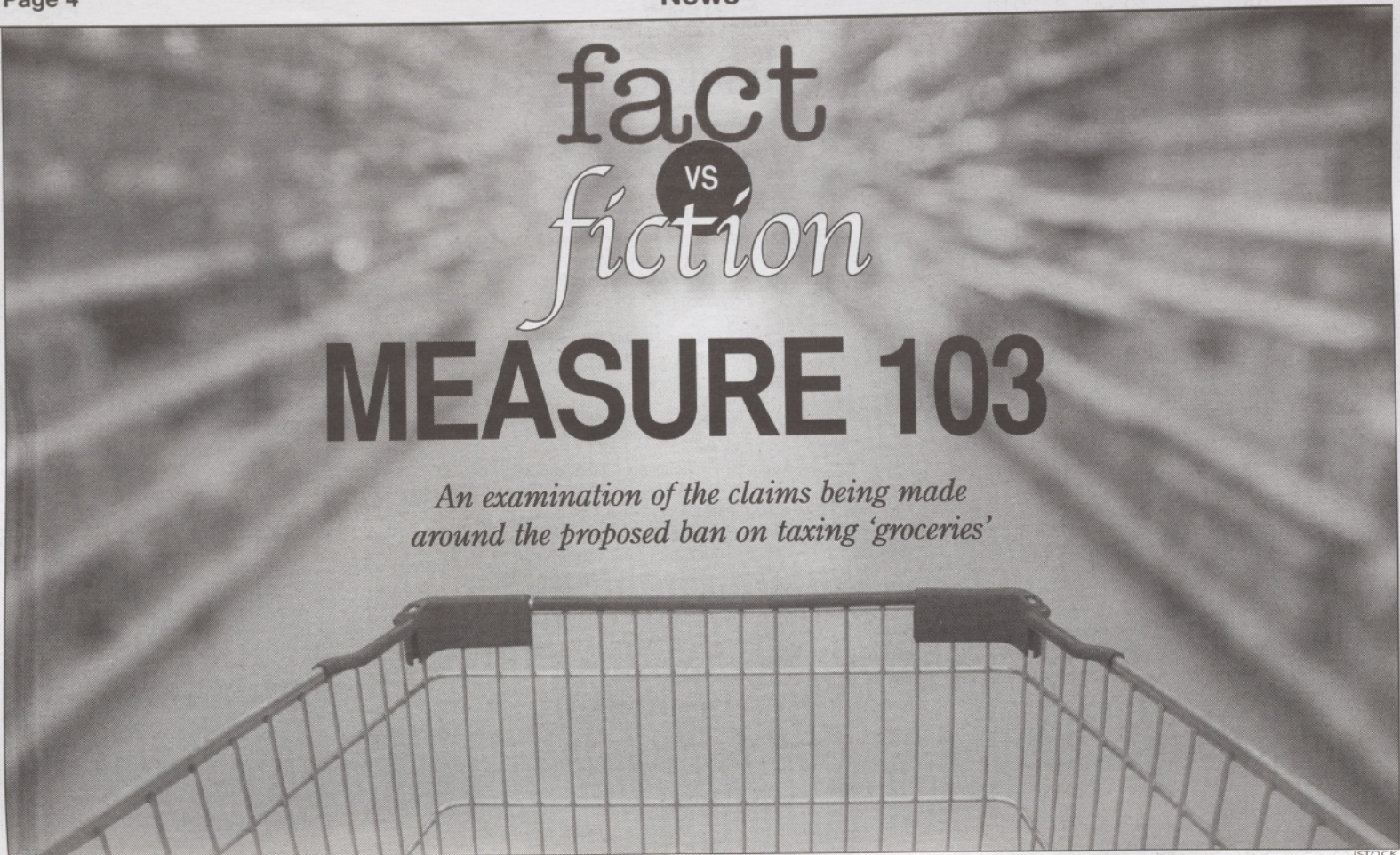


fact VS fiction

MEASURE 103

An examination of the claims being made around the proposed ban on taxing 'groceries'



ISTOCK

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Oregon voters will soon decide whether to place a statewide ban on taxing groceries. But what exactly “groceries” are and to what industries this ban would extend are points of debate between Ballot Measure 103’s supporters and opponents.

Depending on which side’s doing the talking, this measure is either a corporate giveaway that will apply to fuel taxes, Medicaid dollars and changes to the Bottle Bill or a measure to keep food costs down at Oregon supermarkets following an onslaught of local and statewide attempts at taxing groceries.

Both the grocery-chain-backed vote-yes campaign and the public-employee-backed vote-no campaign have a vested interest in their position.

An attorney at the Department of Justice found the measure would not affect Medicaid funding under Measure 101 or fuel tax increases passed with the latest legislative transportation package. However, an attorney working for Our Oregon said it would. Now the two campaigns are engaged in a public spat over who is telling the truth.

No matter who’s right, the state would likely be drawn into costly legal battles as health care and other industries seek tax exemptions they may be entitled to under the proposed law.

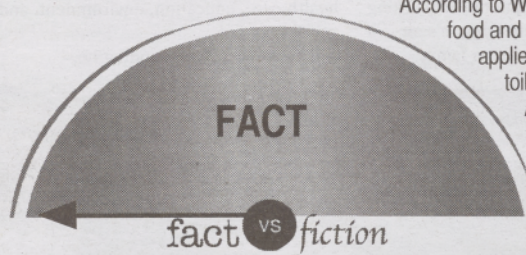
We took a closer look at some of the claims encircling this measure, as parsing out the facts is crucial. Measure 103 is proposing a constitutional amendment whose passage could result in long-lasting and unintended consequences for Oregon. Voters should know what they’re voting on.

While it’s unclear how the ensuing court battles would play out, here’s what we do know about each side’s accusations:

The Opposition: “No on Measure 103”

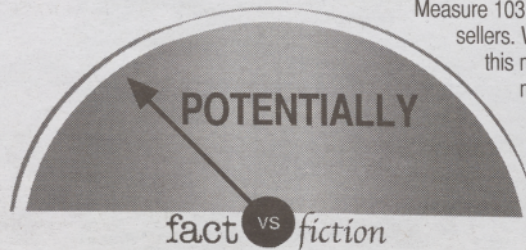
Our Oregon, a lobbying group representing public-employee unions, is heading up the opposition to Measure 103 with major funding from the Oregon Education Association. Its vote-no coalition also includes trade unions, environmental groups, civil rights groups, the Democratic Party of Oregon and a range of small grocers, farmers and restaurants.

CLAIM: *This measure defines groceries in a misleading way you would never find in the dictionary.*



According to Webster’s New World Dictionary, grocery is “the food and supplies sold by a grocer.” The measure applies to food and beverages, not supplies such as toilet paper, diapers and other household goods. Additionally, the measure is written to include food and beverages at every step in the supply chain, which extends the tax ban far beyond the aisles of a supermarket.

CLAIM: *This measure hurts small farms, grocers and restaurants because it prevents the government from giving them future tax relief.*



Measure 103 freezes the corporate minimum tax for grocery sellers. While profitable sellers pay Oregon’s regular tax, this minimum tax is paid when small businesses don’t make enough money. While it’s true this tax could never be lowered for sellers if Measure 103 passes, it couldn’t be raised either, meaning it also insulates sellers from future hikes to this minimum tax.

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