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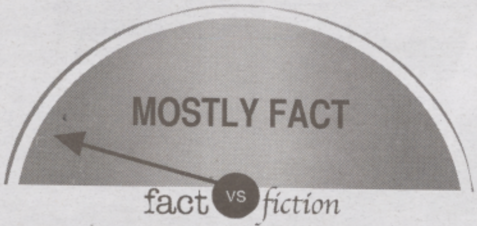
Campaign: "Yes! Keep Our Groceries Tax Free!"

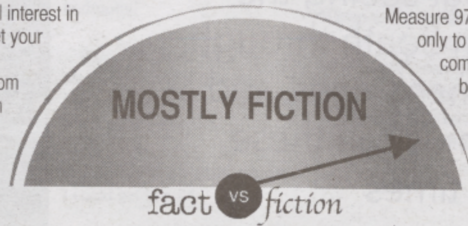
Major donors to the "vote yes" campaign include Albertsons-Safeway, Kroger (Fred Meyer) and Costco. Measure 103 co-sponsor Ron Brake owns two FOOD 4 LESS grocery stores, and his co-sponsor Syd Hannigan is a former Safeway executive. "Vote yes" campaign supporters include an array of grocers such as Zupan's Markets and McKay's Market, city and statewide chambers of commerce, as well as farm and cattle associations.

CLAIM: *By voting yes on 103, your family's groceries will always be tax free.*



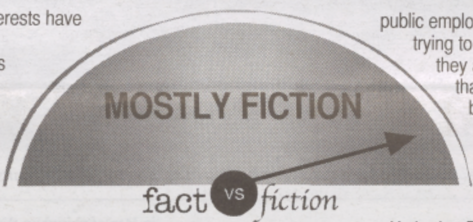
This measure would amend the state Constitution to ban a sales tax on "raw and processed food and beverages," but it could be reversed if voters decided to repeal the ban in the future. It would not ban a sales tax on grocery items such as toilet paper, diapers and other household goods.

CLAIM: *Oregon politicians and special interests want to tax your groceries.*



No politician or special interest in Oregon wants to target your grocery bill. While promotional content from the vote-yes campaign makes it appear as though this measure is meant to fend off taxes on groceries that would hurt consumers, it's really aimed at protecting grocery stores from ongoing efforts to raise tax revenue from giant corporations operating in Oregon. Yes, some of those corporations are grocers, but efforts to raise revenues such as Measure 97 would have applied only to the largest companies, not every business that sells food. There have also been efforts to place sin taxes on some items found in grocery stores that are deemed harmful to a person's health, such as tobacco and soft drinks. While the claim that politicians are trying to tax groceries may hold a kernel of truth, the way this claim is presented is purposefully misleading.

CLAIM: *"Opponents of Measure 103 are the same powerful special interests that have been trying to tax your groceries for years."*

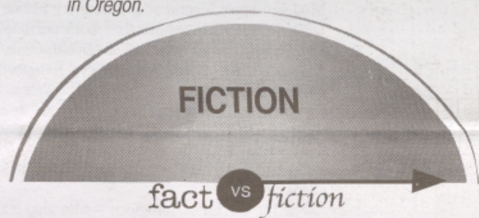


Because no special interests have been "trying to tax your groceries for years," this statement is false.

But opposition to Measure 103 is headed up by union-backed Our Oregon, which was also a major proponent of Measure 97. In both campaigns, Oregon's public school teachers union, the Oregon Education Association, was listed among top donors. So while teachers and other public employee unions aren't trying to tax your groceries, they are a special interest that has had a hand in both efforts the yes campaign is referencing.

Our Oregon spokesperson Katherine Driessen said that if Measure 103 were really just a ban on taxing groceries, her organization would support it.

CLAIM: *There have been five efforts in four years to tax groceries in Oregon.*



The Vote Yes campaign has distributed fliers and produced ads that list what it said are five efforts to tax groceries. While some of the campaign's examples would have raised taxes on businesses that sell groceries, none would have been a consumer sales tax on groceries, would have targeted grocers specifically or would have included all grocers.

A CLOSER LOOK: WHAT MEASURE 103 SUPPORTERS SAY WERE EFFORTS TO 'TAX YOUR GROCERIES'

Senate Joint Resolution 18
2015

This bare-bones proposal for a non-specific sales tax to fund schools died before it got off the ground. During a hearing, Oregon Sen. Lee Beyer (D-Springfield) told the senate finance committee that he "asked legislative council to write it very, very general, with the idea that if the citizens decided they wanted to support it, it would be up to a subsequent legislature to define what that would be." Options on the table, he said, could include a general sales tax, such as in Washington State – which excludes retail food items. True, this sales tax didn't explicitly exclude groceries, but it was never intended to serve as the final piece of legislation. To say this was an attempt to tax groceries is false.

Measure 97 and Initiative Petition 27
2016 and 2017

Measure 103 was written in response to these two failed proposals. Measure 97 would have placed a 2.5 percent gross receipts tax on corporations doing more than $25 million in sales within the state. IP 27 would have increased the state's corporate income tax and added a tax to corporations with gross receipts in Oregon totaling more than $5 million. Neither were aimed at taxing groceries, but rather multi-million-dollar and billion-dollar corporations that have a lower business tax burden in Oregon than they do in most other states. Smaller grocers would not have been subject to the tax. This was not an explicit attempt to "tax groceries."

House Bill 2330
2017

Street Roots couldn't figure out how this bill relating to electric vehicle charging stations made the list, but it was listed on fliers and in an op-ed written by Measure 103's co-sponsors, grocery store owner Ron Brake and former Safeway executive Syd Hannigan. When we asked the campaign to explain why it included this bill, it said it was a typo. What they meant, spokesperson Dan Floyd said, was House Bill 2830, which proposed an increase on corporate excise taxes after the first $1 million of taxable income. Again, this was not aimed explicitly at grocers. This bill never made it to the House floor for a vote.

Measure 23-58 in Ontario
2018

This local measure, defeated in May, would have applied a 1 percent, capped sales tax to retail purchases. "Certain food or beverage sales" were exempted from this tax.

Initiative Petition 21
2017

This initiative wasn't included in the campaign's ads and fliers but was listed in an op-ed penned for the Statesman Journal by Measure 103's co-sponsors, Brake and Hannigan, as an attempt to tax groceries. This proposal was explicitly aimed at taxing tobacco products. If Brake and Hannigan are going to exempt tobacco on their own definition of groceries, then we're going to call bullshit on their claim that an initiative to tax tobacco was an attempt to tax groceries.