MEASURE: HB 3542
EXHIBIT: E
HOUSE REVENUE COMMITTEE
DATE: 3/8/2011 PAGES: 1
SUBMITTED BY: JODY WISER

TAX FAIRNESS OREGON

# HB 3543 and HB 2553: both make a simple and important change to the kicker

These bills are very similar, each ends the practice of sending person kicker checks on December 15th.. Instead we would return to the practice of having any personal kicker included in tax payment calculations and issued as a refund as appropriate. It leaves corporate kicker law unchanged; corporations have never gotten checks.

This will save taxpayers the $1 million that is spent sending checks, the cost of which is removed from the amount that is distributed each time there is a kicker. It will also save the state the cost of borrowing money to cover the December checks, which has been a significant amount some years, adding to the state's interest costs. Sending checks also diverts some of the DOR's attention from tax enforcement.

However, it means that taxpayers will get their kicker money later and without the drama of getting a check in the mail. **We believe this is a prudent change.**

HB3543 is a bit clearer. It says specifically that if a taxpayer doesn't have enough liability to use up all of the kicker amount, they will get a refund. It's good that this is clear in the law.

HB3543 is also a little clearer in making the distinction between which provisions are for PIT taxpayers and which for CT.

HB3543 says that refunds shall not be issued for less than $1. This is the way we treat all refunds now, and this law should concur with normal practice.

HB3543 is effective next while HB2553 is effective this biennium. No one expects a personal kicker for the 2009-11 biennium, so this variation doesn't matter.

**For these reasons, we believe HB3543 is the superior version of the concept.**

MEASURE: HB 2553
EXHIBIT: C
HOUSE REVENUE COMMITTEE
DATE: 3/8/2011 PAGES: 1
SUBMITTED BY: JODY WISER

TAX FAIRNESS OREGON

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