



HB 2823: Creates an income tax credit for unreimbursed expenses of public school teachers and adjunct instructors

Testimony for House Revenue – 3.13.2019

We all know teachers who spend their own money on classroom supplies because want their students to have the best possible learning environment despite the underfunding of Oregon's classrooms. HB 2823 attempts to change what is currently a \$250 deduction from income into a \$250 tax credit. The bill also extends a federal deduction for K-12 teachers to adjunct professors. Clearly a tax credit is more valuable than a tax deduction; its actually about 10 times more valuable on one's Oregon taxes. That's a generous change that communicates value and respect for the efforts of our educators.

However, the bill's sponsors need to come back to the legislature with this program when they have a funding source. The co-chairs budget provides only \$40 M for extending current or adding new tax credits. That isn't enough to cover extension of EITC, let alone the other expiring tax credits.

Therefore, Tax Fairness Oregon does NOT support adding to this new tax credit to the bucket of ideas under consideration.

Like many other tax credits and new program ideas generated this session, there is no money.

Funding current programs must come first unless the proponents have identified a program in their field this should replace or have identified a new funding source.