



THE NONPROFIT  
ASSOCIATION OF  
OREGON

*Connect. Improve. Advance.*

Date: June 11, 2019

To: House Human Services and Housing Committee

Re: The Nonprofit Association of Oregon (NAO) supports the passage of HB 2164

NAO is a registered 501(c)(3) nonprofit organization representing our 1,300 Oregon nonprofit organizations and affiliate members, but also the charitable nonprofit sector broadly. Our members are located across the state and come from all areas that serve our communities, including education, health and human services, the arts, and environmental protection. NAO's mission is to strengthen the collective voice, leadership and capacity of Oregon nonprofits to enrich the lives of all Oregonians. More information about our programs and services can be found at [www.nonprofitoregon.org](http://www.nonprofitoregon.org).

The hard work of our nonprofits can be greatly enhanced by raising the Oregon Earned Income Tax Credit (EITC). Nonprofits work tirelessly to support low-wage earners and their families in their daily lives. The 2019 legislature can improve the economic security for 900,000 Oregonians by enacting HB 2164, a bill to renew and raise the EITC. The EITC is a common sense tax credit for working families, encouraging and rewarding employment: you must work to earn the credit. It recognizes that many jobs don't pay enough to meet basic necessities: the credit boosts income for 900,000 Oregonians — one in every five. Because of its effectiveness, the credit has long enjoyed bipartisan support — both in Congress and the Oregon legislature. The EITC boosts Oregon's economy. It helps workers keep a job, better affording work essentials such as transportation. It lowers use of public assistance. It decreases recidivism. Dollars are spent locally, generating economic activity in Oregon communities.

The EITC helps Oregon students succeed. The credit supports 4 of every 10 Oregon children, fostering:

- Improved health;
- Better school performance;
- Higher rates of graduation and college attendance; and
- Higher earnings as adults.

HB2164 renews and raises the Oregon EITC. The Oregon EITC is set to expire in 2020. Now is the time to renew it and improve the credit by raising it to be on par with other states. It makes the credit more equitable by extending it to all workers who file a tax return and meet the income threshold, including those who file with an Individual Taxpayer Identification Number (ITIN).

HB2164 does all these things without damaging the possibility for taxpayers to give charitably. NAO much prefers HB2164 over [HB2120](#), which limits, for purposes of personal income taxation, availability of itemized deductions. Itemized deductions, including the charitable deduction, are an important means by which taxpayers support the work of charitable nonprofits.

NAO believes that HB2164 is an important step in assisting the people of Oregon and the charities that support them to thrive.

NAO supports the passage of HB2164.

A handwritten signature in black ink, appearing to read "James White". The signature is fluid and cursive, with a long, sweeping underline.

James White, Executive Director