



from the office of

**SENATORS
DENNIS LINTHICUM & KIM THATCHER**

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Democrats pass multi-billion dollar sales tax for PERS bailout
Use leaky buckets to put out roaring Education fire

SALEM, Ore.—Republican state Sens. Dennis Linthicum and Kim Thatcher say House Bill 3427 is ultimately nothing more than a PERS bailout that fails our students, teachers and society. The measure creates a new corporate activities tax, otherwise known as a gross receipts tax. This tax plan is modeled after Measure 97 which was soundly defeated at the ballot. The hidden sales tax will be a multi-billion dollar tax that hurts Oregon’s smallest businesses and every consumer. Whereas large, multi-national corporations and special interests received exemptions from the taxes foisted onto all Oregonians. Proponents of the sales tax say that the funds are “dedicated.” However, the Legislature’s own legal counsel documented that the bill doesn’t have any safety valves to prevent the money from being swept into PERS or other government programs. HB 3427 was passed on a party-line vote and now moves to the governor’s desk.

Linthicum and Thatcher released the following joint statement:

“The Democrats’ corporate activities tax amounts to a hidden sales tax, which is hugely unpopular outside of the Capitol building, and the Democrat supermajority pushing this bill will ultimately face the outrage of constituents. PERS problems are killing our schools and this multi-billion dollar tax swindle won’t solve any of the problems used to push for the tax. Our classrooms, our teachers and our students, deserve better than the false promises of the bill. The people who were pushed to walk out of their classrooms to come to Salem in support of the bill, don’t realize that the Democrats are using a leaky bucket to put out a roaring fire in our education system.”

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For follow-up commentary contact spokesman Jonathan Lockwood at 971-645-2099.