## A TAX FOR PORTLAND

Congratulations on governing this great city. It appears to me, though, that Portland's revenue does not meet its needs, such as fixing our embarrassing roads, funding our schools, housing our homeless, and addressing climate change. For example, I was disappointed to learn that the main source of funds for the Home For Everyone initiative is not a reliable local revenue source but federal Section 8 funds. For too long we have made do with add-ons to an already stressed system. Cities in the other advanced nations rely upon a goods-and-services tax, the lack of which leaves a gaping hole in Portland's budget.

But first, what's wrong with increasing the PROPERTY TAX?

- It raises the cost of housing and of doing business.
- It taxes a necessity and not disposable income as does the sales tax.
- It is not a reliable source of revenue since voters can refuse an increase.
- It taxes an illiquid asset, so that payment must often come from another source.

While property owners understand the need to pay for police and fire protection, for road maintenance, street lights, etc.; they also understand the limits of this tax.

As for the INCOME TAX, we have seen how a single rate or a flat fee can be oppressive. Oregon's iconic income tax hurts the poor and, with a flat rate of 9% from a taxable income of \$50K to \$250K, is only marginally progressive. Furthermore, any local or state income tax adds onto the federal income taxes.

Oregon needs comprehensive tax reform, but Portland can start with A TAX ON SERVED FOOD AND DRINK. A rate of only 2 or 3% would pay for road repair several times over. Let the tourists, who pay in nearly every other state, pay here in this "foodies" paradise.

In the meantime, let Portland advocate for a statewide goods-and-services tax that comes with a rebate for the poor.

When gasoline prices were distressingly high, a clamor was not heard for eliminating the sales tax on gasoline. As a French finance minister said long ago, The art of taxation is to pluck as much down from the goose as one can before it squawks. A tax that is not noticed and that is spent well is as good as taxes get.

Roberta Palmer

roberta.palmer35@gmail.com

## Moore-Love, Karla

From:

Roberta Palmer <roberta.palmer35@gmail.com>

Sent:

Friday, June 12, 2015 9:32 PM

To: Subject:

Moore-Love, Karla communication

Dear Karla,

I would like to be scheduled for 3 min on a Wed. AM, June 24 if possible. My issue is a better tax system for the city. Need revenue for unmet needs. Problems with reliance on property tax, advantages to sales taxes, such as a city-wide food-and-beverage tax.

Sincerely,

Roberta Palmer 333 NW 9th Ave Unit 1201 Portland, OR 97209 503-774-4667 Request of Roberta Palmer to address Council regarding better tax system for the City (Communication)

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MARY HULL CABALLERO Auditor of the City of Portla	
By Deputy	

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