

About Christians for Peace & Justice Advocacy Network ...

Christians for Peace and Justice is EMO's network of individuals, congregations and religious organizations that advocate peace and justice in public policies to lawmakers. The network focuses on issues such as war and peace, hunger and poverty, the environment, abolishment of the death penalty, human rights, health care and economic justice.

Members receive public policy updates and action alerts electronically and trainings to enrich their advocacy. Through this network, Christians can make a difference in the policy-making process.

To join, please call (503) 221-1054.

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Ecumenical Ministries of Oregon's Christians for Peace & Justice Advocacy Network

“Render Unto Caesar ... Faith, Justice, and Taxes in Oregon” Workshop

Why is tax reform needed in Oregon?

Oregon's present tax system is too dependent on a single source of revenue—the income tax. As a result, available funding for state services, such as public education, public safety and human services, is unreliable. Income tax revenues fluctuate with the economy. When the economy falters and joblessness is high, more state services are needed than there is funding available. When the economy booms, the state does not have an adequate “rainy day” fund that saves revenue when budgeted spending is less than tax revenue collected. Instead, the state issues a kicker refund. Further, unfunded mandates from voter initiatives and federal laws reduce overall available funding.

The moral implications of an unreliable tax system promote social inequities, undermine the social safety net and jeopardize the vulnerable and people in need. Ecumenical Ministries of Oregon (EMO) is committed to tax reform that leads to a just system that promotes the common good.

Principles for a Just Tax System Based on Judeo-Christian Ethics

“You must also pay your taxes. The authorities are God's servants, and it is their duty to take care of these matters. Pay all that you owe, whether it is taxes and fees or respect and honor.”

—Romans 13:6-7

Paying taxes is a moral responsibility of all people. Creating a just tax system used for just purposes is the responsibility of all people. Elected officials are entrusted with a greater responsibility to ensure that taxation must hold as a primary concern the needs of low-income persons to

prevent the entrenchment of poverty in society. Judgment of a just tax system is based on two primary principles.

Principle No. 1—Taxation must be used toward the organization of social structures that serve the just purpose of ensuring basic human needs for all God’s people.

Principle No. 2—Taxation must hold sacred the sanctity of basic human needs and therefore must not inhibit a person’s ability to meet their basic needs.

“God greatly blessed his followers, and no one went in need of anything. Everyone who owned land or houses would sell them and bring the money to the apostles. Then they would give the money to anyone who needed it.”—Acts 4:34-35

Evaluating an Effective Tax System

EMO endorses three basic criteria for evaluating a tax system. These criteria are:

Fairness —Taxes should be based on the ability to pay, with the rate of taxation increasing as income increases. Our current revenue system places an unfair burden on individual taxpayers, especially on low-income families and small businesses.

Stability —Taxes should provide consistent revenue through good times and bad. The repeated and devastating decreases in revenue projections throughout the past biennium are striking testimony to the failure of our current system in this regard.

Adequacy —Taxes should provide enough money to fund needed services. Our current inability to meet the needs of the vulnerable and our inability to sustain a complete school year in many of our districts is evidence that our current system is severely lacking on this measure.

“If God has been generous with you, he will expect you to serve him well. But if he has been more than generous, he will expect you to serve him even better.”—Luke 12:48

Three Main Taxes in Oregon and Local Governments

Types of Taxes	Jurisdiction	Pro	Con
Income Tax	Used by state government.	Has greatest potential to be restructured based on ability-to-pay for filers.	High marginal rate makes tax regressive for low-income earners. The top marginal rate is applied to annual incomes of \$6250 for single filers and twice the amount for joint filers. It is unstable due to volatility of the business cycle.
Sales Tax	Used by state government on a limited basis. Examples are gas, tobacco, alcohol and lodging.	Would generate additional revenue from underground economy and tourism if expanded to include other goods and services.	Regressive and non-tax deductible on federal returns.
Property Tax	Used by local government such as cities and counties.	Very stable and reliable revenue for funding services.	Very regressive. It is used by local governments only.

For more information about tax reform in Oregon, go to EMO’s Web site at www.emoregon.org and click on the Public Policy Advocacy link.

Questions for Reflection

1. To what extent is paying one’s taxes a moral obligation?
2. Is the sum of individual good equal to the common good? Do individuals have an obligation to the common good? What do American ideals say about individual good and the common good?
3. What are the needs of society? Can society take care of its needs without taxes or government? What is the role of businesses, individuals, civic or religious institutions and government in taking care of the needs of society? Are they sufficient in meeting those needs?
4. What is more helpful: cutting taxes for low-income individuals or providing social services such as health care? What if cutting taxes for low-income individuals does not necessarily lead to important needs such as affordable health care or housing? Can providing social services inhibit a person from pursuing their human potential?
5. What does a just tax system in Oregon look like? What can you do to advocate for a just tax system?