League of Oregon Cities

Talking Points

What's happening

- Here's the big problem: Oregon's outdated tax system has forced cities across the state to cut services residents depend on.
- Some towns have ended ambulance service. Fire departments are leaving positions unfilled. Local roads are deteriorating. City parks are skipping routine maintenance. Pools and libraries are cutting their hours or closing entirely. Add it all up, and our quality of life is on the decline.
- After more than a decade of downsizing and spending cuts, many Oregon cities are losing what has made them great places to live.
- Communities of all sizes are experiencing severe service cuts, and small cities and rural areas are feeling the impacts first and worst.

Why it's hurting Oregon taxpayers and communities

- Oregon's property tax system is unfair by design.
- Neighbors in similar homes can pay tax bills that are thousands more or less than each other for the very same public services.
- Large corporations pay property taxes under the same outdated rules as homeowners, with some commercial properties going onto the tax rolls at less than half of what they're actually worth. New development is taxed on the equivalent of property value in 1995, rather than current market.
- Communities that had low property values 30 years ago have fewer resources for public services than communities that had higher values back then.
- In a typical year, about two thirds of Oregon cities lose funding from voter-approved levies – money their own residents voted to raise for parks, libraries, and fire protection – because of state-required caps that reduce those funds before they ever arrive.

What's next

- Oregonians deserve a fair tax system that delivers for our communities.
- We need comprehensive tax reform that fixes what's broken and ensures our communities continue to have the services and facilities that make Oregon a great place to live.
- We are partnering with the League of Oregon Cities and other leaders across the state to begin exploring what an effective tax system would look like.
- Learn More and join us at BrokenTaxSystem.org