



OFFICE OF THE SECRETARY OF STATE

NEWS RELEASE

BILL BRADBURY

For Immediate Release:
March 10, 2006

Contact: Carla Corbin
Elections Division
(503) 986-1518

The Office of the Secretary of State received a draft ballot title from the Attorney General on March 10, 2006, for initiative petition #3, proposing a statutory amendment, for the General Election of November 4, 2008.

The draft ballot title is as follows:

**CREATES AN UNLIMITED DEDUCTION FOR FEDERAL INCOME TAXES
ON INDIVIDUAL TAXPAYERS' OREGON INCOME-TAX RETURNS**

RESULT OF "YES" VOTE: "Yes" vote creates an unlimited deduction for federal income taxes on Oregon income-tax returns filed by individual taxpayers; reduces revenue available for state expenditures.

RESULT OF "NO" VOTE: "No" vote retains current law, which allows limited deduction for federal income taxes on individual taxpayers' Oregon income-tax returns (limit generally is \$5500).

SUMMARY: Under current law, personal income-tax payers may deduct a limited amount of federal income taxes when calculating their Oregon taxable income (limit generally is \$5500; limit is adjusted yearly for cost-of-living starting in 2008). This measure creates an unlimited deduction for federal income taxes on individual taxpayers' Oregon returns beginning in 2010. Provides "no Oregon taxpayer shall be required to pay to the state, a local government, or other taxing district, an income tax of any kind on money paid to the federal government as federal income taxes." Deduction applies only to federal income taxes paid on income taxed in Oregon; does not apply to corporate excise/income taxes. Reduces revenue available for state expenditures; provides no replacement funding. Other provisions.

Chief Petitioner(s): Bill Sizemore, PO Box 343, Beavercreek, OR 97004.

Copies of the text of this initiative are available at Room 141, State Capitol for \$.25. Written requests for copies with your remittance of \$1.00 prepaid, should be addressed to: Elections Division, Room 141 State Capitol, Salem, OR 97310-0722.

There now follows a comment period of 10 business days during which any member of the public may submit written comments which address the specific legal standards a ballot title must meet to the Secretary of State's office. This period ends March 24, 2006. Comments must be addressed to: Elections Division, Room 141 State Capitol, Salem, OR 97310-0722; fax (503) 373-7414.

The Secretary of State will deliver all written comments to the Attorney General. If comments are received, the Attorney General shall issue the certified ballot title not later than the 10th business day after receiving the comments from the Secretary of State. If no comments are received, the Attorney General shall issue the certified ballot title not later than the 10th business day after the deadline for submitting comments.

In addition, during this ballot title comment period, the Secretary of State will also seek statements from interested persons regarding whether or not a proposed initiative petition complies with procedural constitutional requirements for submission of proposed initiative petitions. The Secretary will consider the information provided in the statements received from interested persons. If you wish to comment, this period ends March 24, 2006. Comments must be addressed to: Elections Division, Room 141 State Capitol, Salem, OR 97310-0722; fax (503) 373-7414.

Any elector who is dissatisfied with the ballot title certified by the Attorney General, and who timely submitted written comments which addressed the specific legal standards a ballot title must meet, may petition the Oregon Supreme Court seeking a different title. This appeal must be filed not later than the 10th business day after the Attorney General certifies a ballot title to the Secretary of State.

The required number of signatures for placement on the 2008 general election ballot is determined by the total votes cast for all candidates for governor at the 2006 general election. These signatures shall be filed in this office not later than July 3, 2008.

HARDY MYERS
Attorney General



PETER D. SHEPHERD
Deputy Attorney General

DEPARTMENT OF JUSTICE
APPELLATE DIVISION

March 10, 2006

John Lindback
Director, Elections Division
Office of the Secretary of State
141 State Capitol
Salem, OR 97310

SECRETARY OF THE STATE
2006 MAR 10 PM 2:14
MISTY KINTZ

Re: Proposed Initiative Petition — Creates An Unlimited Deduction For Federal Income Taxes On Individual Taxpayers' Oregon Income-Tax Returns
DOJ File #BT-03-06; Elections Division #3

Dear Mr. Lindback:

We have prepared and hereby provide to you a draft ballot title for the above-referenced prospective initiative petition. The proposed measure relates to creating an unlimited deduction for federal income taxes on individuals' Oregon income-tax returns.

Written comments from the public are due to you within ten business days after your receipt of this draft title. A copy of all written comments provided to you should be forwarded to this office immediately thereafter.

A copy of the draft ballot title is enclosed.

Sincerely,

Misty Kintz
Legal Secretary

ELH:mlk/APP91113

Enclosure

c: Peter Shepherd, Deputy Attorney General
Don Arnold, General Counsel Division
Steve Wolf, General Counsel Division

Bill Sizemore
P.O. Box 343
Beavercreek, Oregon 97004

DRAFT BALLOT TITLE

CREATES AN UNLIMITED DEDUCTION FOR FEDERAL INCOME TAXES ON INDIVIDUAL TAXPAYERS' OREGON INCOME-TAX RETURNS

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SECRETARY
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