

WHAT DOES MEASURE 66 MEAN TO ME PERSONALLY?

On January 26, 2010, Oregon voters passed both Measure 66 and Measure 67. These measures will have far reaching effect on Oregon taxpayers. The following is a brief summary of the effect of Measure 66.

- ❖ For single filers with income in excess of \$125,000, their tax rates go from 9% to as much as 11%
- ❖ For joint filers with income in excess of \$250,000, their tax rates go from 9% to as much as 11%
- ❖ The tax rates up to 11% will be in effect through 2011, at which time the top bracket will drop to 9.9% (historically 9%)
- ❖ These higher state taxes may push some taxpayers into AMT at the Federal level, as state tax deductions are disallowed under the Federal minimum tax calculation.
- ❖ Keep in mind that Oregon has no reduced tax structure for capital gains. Thus, if you are in the 11% State tax bracket, your marginal tax rate is approaching the Federal capital gains tax rate of 15%.

THINGS TO CONSIDER:

- ❖ Do you have the ability to defer taxable income into the future?
- ❖ Do you have the ability to accelerate or bunch deductions in the current year?
- ❖ Have you reassessed your estimated tax payment levels to cover for this increased rate?
- ❖ With the Oregon tax rate having increased for 2009, have you assessed whether or not you are going to owe additional taxes to Oregon on April 15th?

If you have questions regarding your specific situation, please contact any one of our tax professionals.

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