

STOP THE METRO WAGE TAX

Protect Our Family Paychecks



WHAT THIS MEASURE DOES:

- 1. A New Tax for You – But Not for Metro:** The measure creates a **permanent new \$5.2 billion tax** on compensation on private employers, colleges, churches and non-profits in the Portland tri-county area. It applies up to a **.75 tax** on the total compensation – including wages, benefits, retirement, commission, and bonuses – of more than **70% of all workers** in the region. Recognizing how harmful and expensive their tax would be, at the last minute, Metro exempted itself and other state and local governments from paying its new tax.
- 2. A Slow Train to a Fancy Mall, No Congestion Relief & Displaced Families:** The centerpiece of the measure is construction of a new **\$2.4 billion, 11-mile light rail line** from downtown Portland to the high-end Bridgeport Village shopping area in Tigard – at a time when MAX ridership is declining. As many as **300 homes** and **150 businesses** will be forcibly displaced. The measure dedicates just **3% of its spending** to address traffic congestion across our region.
- 3. Too Much Money & Too Little Accountability:** If voters approve the new tax on wages and other compensation, Metro can change both the rate of the tax and the projects it is promising to fund – without a vote of the people. Its own auditor recently raised red-flags about Metro’s bloated overhead costs, misplaced spending, lack of transparency and conflicts of interest in administering voter-approved housing bonds.

WHY YOU SHOULD OPPOSE THE MEASURE:

WRONG TAX

- The middle of the worst economic crisis in our lifetimes is exactly the wrong time to punish employment. A permanent new wage tax will clobber at least **6,000 struggling local employers** and non-profits and will reduce paychecks or jobs for more than **70% of workers** and their families in the tri-county area. Local economist Joe Cortright says, “Academic research is clear: Payroll taxes provide a disincentive to hiring and are borne mostly by employees.”

WRONG TIME

- With the challenges and uncertainty facing us from COVID-19, we need to set priorities – protecting jobs, family paychecks and supporting our kids’ schools. Every dollar counts. This permanent new tax attacks wages when families and businesses can least afford it. It’s the wrong tax at the wrong time.
- Metro claims this is all about equity concerns. But **\$5.2 billion** would be spent differently if it was about equity. Instead of investing in communities of color, affordable housing and removing barriers to economic and social progress -- Metro has chosen to make the centerpiece of this measure a new **\$2.4 billion light rail** to the high-end Bridgeport Village shopping area. Metro is not obligated to fund the **17 additional projects** in its plan and has admitted it doesn’t have enough money for everything it is promising.





METRO UNLEASHED

- In the past two years alone, Metro has passed **\$3.6 billion** in taxes on businesses, property and income. Now they want the highest tax in the region's history - a permanent new \$5.2 billion tax on employers and local non-profits. Metro needs to serve our priorities and learn to live within our means.

RED FLAGS AND INSIDER DEALS

- Metro exempted itself from paying the permanent new tax but now wants us to trust them to manage billions in new transportation spending without even addressing congestion. An internal auditor recently raised red flags about Metro's bloated overhead costs, misspending, lack of transparency and direct conflicts of interest in oversight.
- During the pandemic, we've been told "We're all in this together," but Metro wants to spend billions of our dollars to profit out-of-state construction companies. The big insider corporations from California and Texas who are funding Metro's campaign stand to make millions from government contracts. While powerful interests are set to benefit, local employers and non-profits will be stuck paying higher taxes with shrinking paychecks long after the contractors and their profits have disappeared.



**IT WILL IMPACT MORE THAN
70% OF ALL WORKERS.**

DECEPTIVE

- Despite **\$5.2 billion** in new taxes, Metro admits it doesn't raise enough money to fund all the projects promised to voters. Metro is already asking legislators for a new statewide vehicle tax based on miles travelled, and supports new tolling on area highways, **starting with I-205 and I-5**. Metro wants to tax every dollar you make and every mile you drive.
- Metro claims this measure combats climate change – but local transportation and environmental advocates disagree. The Oregon Environmental Council says the plan will reduce emissions by just one tenth of one percent while subsidizing congestion emissions. Local economist Joe Cortright concurs, and estimates "the measure amounts to a **30 cent per gallon** gasoline subsidy, encouraging more driving and increasing greenhouse gas emissions **50 times more** than the amount saved by all its investments."

MISLEADING

- Metro is attempting to fool voters by calling this a tax on big businesses. This isn't a tax on profits, wealth or success. This tax punishes employment based on wages paid. This is a permanent new tax on hard work, jobs and struggling businesses and families. It will directly impact restaurants, health care workers, and charities. More than **6,000 employers** and non-profits will pay a new wage tax hitting **70% of workers**.

HYPOCRITICAL

- At the last minute and with little notice, Metro voted to exempt itself and **100,000 state** and local government workers from paying the new tax while requiring struggling employers, non-profits, hospitals and universities to pay it. Organizations like United Way and the Oregon Food Bank will pay the tax forever, but Metro will never pay a dime.





UNFAIR

- This plan divides our community and isn't fair. A permanent new wage tax hits employers and non-profits across the entire tri-county area but doesn't fairly distribute the dollars among each county. **Multnomah County gets more spending (53%) while Washington (29%) and Clackamas (18%) counties get less.**
- With no say in the process, this measure bulldozes and forcibly displaces as many as **300 affordable homes** and apartments and **150 businesses** to make way for the centerpiece of the Metro plan – an **11-mile \$2.4 billion light rail line** to the high-end Bridgeport Village shopping center in Tigard.

MORE CONGESTION, TAXES AND NEW TOLLS

- Instead of relieving traffic congestion where it's already bad – **Hwy 26 and 217, I-5 and I-205** – this measure dedicates **just 3%** to congestion relief and its centerpiece is a new light rail line through Southwest Portland to the high-end Bridgeport Village shopping area in Tigard.
- In addition to a new wage tax and new statewide vehicle miles tax, Metro also supports first-ever tolling of Portland-area freeways and highways. Metro wants to tax every dollar you make and every mile you drive.

HOW YOU CAN HELP

1

MAKE A CONTRIBUTION

Give immediately through our secure website: StopTheMetroWageTax.org

Please send donations over \$1000 by mail to:

*Stop the Metro Wage Tax
PO Box 42307
Portland, OR 97242*

2

ADD YOUR VOICE

If you want to add your voice to campaign materials with your logo or a quote, please fill out our online form at StopTheMetroWageTax.org/endorse.

3

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