

**Analysis of tax effect of Oregon Measure 59 on individual Taxpayers
Annual Tax Savings of an Unlimited Deduction of Federal Tax Paid**

	MFJ	Single	MFJ	Single	MFJ	Single
Taxable Income	\$ 42,680	\$ 37,024	\$ 120,000	\$ 120,000	\$ 200,000	\$ 200,000
Federal Tax	5,600	5,600	22,688	27,578	44,744	51,751
Tax benefit under current law (\$5,600 at 9%)	504	504	504	504	504	504
Tax benefit under measure 59 (Unlimited at 9%)	504	504	2,042	2,482	4,027	4,658
Additional Tax Savings of New Proposal	\$ -	\$ -	\$ 1,538	\$ 1,978	\$ 3,523	\$ 4,154

	MFJ	Single	MFJ	Single	MFJ	Single
Adjusted Gross Income	\$ 68,668	\$ 59,512	\$ 120,000	\$ 120,000	\$ 200,000	\$ 200,000
Less Average itemized deduction	(18,988)	(18,988)	(36,214)	(36,214)	(73,442)	(73,442)
Less Federal Exemption	(7,000)	(3,500)	(7,000)	(3,500)	(7,000)	(3,103)
Taxable income	<u>42,680</u>	<u>37,024</u>	<u>76,786</u>	<u>80,286</u>	<u>119,558</u>	<u>123,455</u>
Federal Tax	5,600	5,600	11,884	16,458	22,577	28,546
Tax benefit under current law (\$5,600 at 9%)	504	504	504	504	504	504
Tax benefit under measure 59 (Unlimited at 9%)	504	504	1,070	1,481	2,032	2,569
Additional Tax Savings of New Proposal	-	-	566	977	1,528	2,065

Average itemized deductions are based on averages for the 2005 tax year.