

FOR RELEASE February 27, 2020
CONTACT: Sherri Brown, OKPLAC Legislative Committee Chair
PHONE: 405.833.2583
EMAIL: okplac@gmail.com



OKPLAC POSITION STATEMENT REGARDING TAX CREDITS

As taxpayers and parents, OKPLAC opposes all tax credit programs, new or expansions of existing tax credits, **that are not focused on economic development**, subject to review by the Oklahoma Incentive Evaluation Commission.

Several tax credit bills have been proposed this year. Although many are for admirable objectives, they do not broaden the tax base, nor do they grow the economy. Some examples include tax credits for adoption expenses, tax credits for companies that provide school security personnel training, increasing tax credits for affordable housing, tax credits for contractors providing aging-in-place residential construction, tax credits for donations to the Oklahoma School Security Revolving Fund, tax credits for donations to the Oklahoma Center for the Advancement of Science and Technology, tax credits for teachers' health care costs for their families *and raising the tax credit caps for the OK Equal Opportunity Scholarship programs*. **We oppose all of these tax credits.**

OKPLAC would support tax credit proposals that do grow the economy and diversify our tax base such as the tax credit for doctors who open new practices in rural areas, those for the aerospace industry, for software and cybersecurity industry and even for apprenticeship programs, assuming they would fall under the Commission's scrutiny. *However, all tax credit programs should include measurable goals, a cap and sunset provisions to be fiscally responsible.*

In 2015, the legislature established the Oklahoma Incentive Evaluation Commission to look at the more than \$2 billion in tax credits and incentives that had collected over the years. The commission was tasked with reviewing all of these economic incentives for their effectiveness and making recommendations to the legislature for either continuing or discontinuing the incentives based on their return on investment. Their work has resulted in the sunseting of some incentives, but many continued in spite of the Commission's recommendation to suspend them. Once started, these tax credits and incentives are very difficult to reverse. Those that are really about social engineering, are never reviewed or scrutinized for effectiveness, making them nearly impossible to reverse.

What could this state accomplish for its citizens if more of the \$2 billion in revenues owed the state were actually collected? Could we make progress towards that top ten goal in education, in health care, in mental health services, in prison reform, in providing human services for our most vulnerable citizens?

OKPLAC asks state representatives and senators to protect state revenues for state services. Vote no on any tax credit or incentive that does not diversify and grow our economy and include fiscally responsible measures that cap the state's financial exposure and contain sunset provisions.

###

The Oklahoma Parent Legislative Action Committee (OKPLAC) is a statewide network of local education advocacy groups seeking non-partisan solutions to improve and protect public education. We engage parents in advocating for a strong, equitable public education system for ALL children.