



Program #72052A - FRM Preschool for All Tax Administration - County FY 2024 Department Requested

Department: County Management **Program Contact:** Eric Arellano
Program Offer Type: Existing **Program Offer Stage:** Department Requested
Related Programs: 25200-25206, 40099B, 78335
Program Characteristics: In Target

Executive Summary

The Treasury Tax Administration unit is responsible for managing all tax administrative activities for the new Preschool For All Program tax. This includes but is not limited to tax accounting, tax reporting, tax code development and maintenance, tax procedures, tax forms, tax handbook, tax communication/education, general tax support, and management of intergovernmental agreement with the City of Portland.

Program Description

On November 3, 2020, the voters of Multnomah County approved Preschool For All Program Ballot Measure 26-214 which authorized the County to impose a personal income tax to fund universal, tuition free, voluntary, and high quality preschool education for every three and four year old residing within Multnomah County. The tax is effective tax years beginning January 1, 2021, and applies to resident and non-residents: 1.5% tax on Oregon taxable income over \$125,000 and 3.00% tax on Oregon taxable income over \$250,000 for single filers. 1.5% tax on Oregon taxable income over \$200,000 and 3.00% for Oregon taxable income over \$400,000 for joint filers.

This program includes one regular position (Project Manager) and a contracted tax consultant to develop and maintain tax code, tax administrative procedures, tax handbook, all educational materials, tax calculators, taxpayers and tax administer outreach/support, maintain tax public page, development of tax forms, perform tax accounting, tax reporting, and other tax administrative functions (including the management of intergovernmental agreement with the City of Portland).

Performance Measures

Measure Type	Primary Measure	FY22 Actual	FY23 Budgeted	FY23 Estimate	FY24 Offer
Output	Establish and maintain tax administration unit for new tax*	N/A	1	1	1
Outcome	Maintain a tax compliance rate of 90% or above**	N/A	N/A	N/A	90%
Output	Maintain tax administration public page making available tax education/quidance materials***	N/A	1	1	1

Performance Measures Descriptions

*1=Achieved; 0=Not Achieved
 **Compliance rate with applicable code requirements (measurement not available until next year)
 ***1=Achieved; 0=Not Achieved

Legal / Contractual Obligation

Multnomah County Code Chapter 11 (Preschool For All Personal Income Tax 11.500-560). The Personal Income Tax will be administered by the City of Portland through an intergovernmental agreement (IGA) that expires in fiscal year 2030.

Revenue/Expense Detail

	Adopted General Fund	Adopted Other Funds	Department Requested General Fund	Department Requested Other Funds
Program Expenses	2023	2023	2024	2024
Personnel	\$0	\$158,511	\$0	\$175,087
Contractual Services	\$0	\$15,000	\$0	\$15,000
Materials & Supplies	\$0	\$5,000	\$0	\$5,000
Internal Services	\$0	\$25,052	\$0	\$22,657
Total GF/non-GF	\$0	\$203,563	\$0	\$217,744
Program Total:	\$203,563		\$217,744	
Program FTE	0.00	1.00	0.00	1.00

Program Revenues				
Total Revenue	\$0	\$0	\$0	\$0

Explanation of Revenues

This program generates \$6,268 in indirect revenues.

This program generates \$6,268 in indirect revenues. This program will be supported entirely by tax receipts from Preschool For All Program (fund 1522). Tax revenues budgeted in program offer 25200-24.

Significant Program Changes

Last Year this program was: FY 2023: 72052 FRM Preschool for All Tax Administration - County