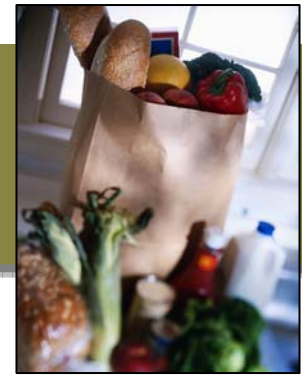


# STRENGTHEN THE GROCERY TAX CREDIT



## ENDORSERS

AARP Oklahoma

Archdiocese of Oklahoma City

Areawide Aging Agency, Inc.

Catholic Charities of the  
Archdiocese of Oklahoma City

Community Food Bank of Eastern  
Oklahoma

Just Hope, Inc.

Love/Marshall County RSVP  
Programs – Big Five Community  
Services

National Association of Social  
Workers, Oklahoma Chapter

Norman United Church of Christ

Oklahoma Alliance on Aging, Inc.

Oklahoma Conference of the  
United Methodist Church, Board of  
Church and Society

Oklahoma Foundation for  
Consumer & Patient Rights

Oklahoma Policy Institute

Parent Child Center of Tulsa

The Peace House

SODA Area Agency on Aging

Tulsa RESULTS

United Campus Ministry,  
University of Tulsa

United Church of Christ, Justice &  
Witness Commission of the  
Kansas/Oklahoma Conference

December 16, 2008

Dear Legislator,

As you know, with rising food prices and a slowing economy, an increasing number of Oklahoma families are struggling each and every week to make ends meet. Food prices have risen more than 6 percent in the past year, with even greater increases for such dietary staples as bread, cereals, fruits and vegetables. As families fall short, food banks are reporting a steep increase in the number of individuals served by food pantries and soup kitchens in 2008 compared to last year.

Our organizations urge you to take modest but important action to help struggling families by strengthening Oklahoma's Sales Tax Relief Credit. This existing credit was enacted in 1990 as a way to offset the sales tax on groceries for families of limited means. Taxing groceries is considered by many to be inherently unjust, but the credit does offer relief for lower-income families (up to \$50,000 for households with seniors or children, or \$20,000 otherwise) who must dedicate a much greater share of their income to the purchase of groceries than do wealthier households.

Unfortunately, the amount of the credit has been left unchanged at \$40 since 1990, and eligibility was last expanded over a decade ago. With inflation, the value of the credit in offsetting the sales tax on groceries has eroded. Frozen eligibility levels have left fewer families eligible for the credit with each passing year.

With economic conditions likely to worsen in the months ahead, strengthening the grocery tax credit will help Oklahomans, especially seniors and families with children, pay their bills and keep food on the table. It will relieve some of the pressure on our local charities and provide a small boost to local businesses where people buy their groceries.

We appreciate that the state faces a tough and uncertain budget outlook, and that it will be a great challenge to find the revenues needed to maintain essential public services. However, to the extent that targeted tax cuts are part of the discussions during the upcoming session, we fervently hope that you will make increasing the amount of the grocery tax credit and raising eligibility a priority.

Legislation to strengthen the grocery tax credit is being prepared and will be introduced this session. We hope we can count on your support for this important proposal.

Please contact David Blatt at [dblatt@okpolicy.org](mailto:dblatt@okpolicy.org), 918-382-3228  
if you have any questions or concerns.