



Association of Oregon Counties



**SB 317**  
**Electronic Commerce Enterprise Zone Tax Credit**

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Joint Committee on Tax Credits 76<sup>th</sup> Session  
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SB 317 renews the sunset for a targeted tax credit incentive offered by the state. The Electronic Commerce Enterprise Zone tax credit operates in conjunction with the job and business investment creation goal of local Enterprise Zones. Enterprise Zones, sponsored by local governments, are a powerful and effective business recruitment tool and serve as a focal point for economic development.

The Electronic Commerce Enterprise Zone Tax Credit is focused on businesses that engage in electronic commerce in one of the ten enterprise zones designated for electronic commerce. According to the Oregon Business Development Department, there were 12 exemptions for Electronic Enterprise Zones in 2009-2010 on \$25 million in new property investments, with 460 direct, full-time jobs created and more than 1,700 existing employees. Accounting for the effect of the property tax incentive, 30-60 new jobs may be attributed to the tax credit alone each year.

The Tax Expenditure Report noted that this tax credit “appears to be fulfilling its purpose in the context of other marketing factors – not only by inducing the Electronic Commerce sector to grow in Oregon, but also by spurring additional enterprise zone investments and job creation.”

The Association of Oregon Counties, League of Oregon Cities and Oregon Economic Development Association urge your support for SB 317 because they are proven targeted incentives to spur much needed traded sector jobs throughout the state.

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