

MEASURE: SB 317
EXHIBIT: K
Joint Committee on Tax Credits 76th Session
DATE: 05-24-2011 PAGES: 2
SUBMITTED BY: Jon Stark

Submitted not heard

May 11, 2011

Hon. Jules Bailey, co-chair
Hon. Vicki Berger, co-chair
Committee on Tax Credits
Oregon Legislature
Oregon Capitol
Salem, Oregon 97301

Re: Support of SB 317A

Dear Rep. Bailey and Rep. Berger,

On behalf of Redmond Economic Development, Inc. (REDI), I am writing in support of Senate Bill 317A, which extends the ecommerce tax credit provision for Oregon Enterprise Zones.

The e-commerce tax credit program has been available to Redmond companies since 2008. In addition to the tax exemptions provided in the standard enterprise zone, this program provides an income tax credit of up to 25% for companies who predominantly use electronic commerce for making transactions. There are two companies in Redmond currently using the program to help offset costs for their recent expansions and several other companies that use e-commerce to sell their goods that have planned on using the program in the future, should the program be available.

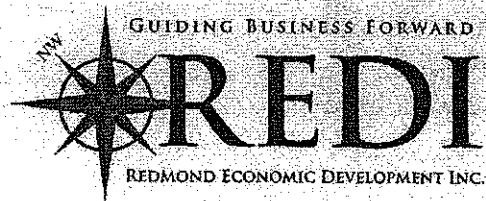
This program played a key role in the expansion of Altrec/Great Outdoors.com, a local on-line outdoor clothing distributor. The company is currently one of Redmond's fastest growing companies and employs 90 people year round and provides seasonal employment which nearly doubles their regular workforce each year. The e-commerce tax credit program has provided an opportunity to spend their capital in other areas like generating more revenue and developing their workforce rather than in covering heavier development costs than areas without this benefit.

The task of diversifying and strengthening our economic base remains challenging, particularly given the current economic environment. We believe the e-commerce tax credit program is an effective economic development tool to assist companies when making investments in Redmond. Please join us in your support of SB 317A extending this program beyond its current sunset.

REDI has been involved in business expansion, relocation, and retention in Central Oregon for over 20 years. We are made up of a twenty-three member board of directors strongly engaged in our mission of "Creating prosperity through community and business development." We appreciate this opportunity to share our perspective. Please feel free to contact me if you need additional information regarding our support of SB 317A.

Respectfully,


Jon Stark
Manager



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