


Relating to: HB 2456

From the desk of
Rep. Jessica Vega Pederson




1536 SE 11th Ave., Ste. A | Portland, OR 97214

www.ospirg.org (503) 231-4181 (ph)
info@ospirg.org (503) 231-4007 (tx)

April 24, 2013

Dear Representatives,

Please support ending offshore tax haven abuse.

When companies use offshore tax havens to avoid paying their taxes, the rest of us pick up the tab with cuts to public priorities or higher taxes. These loopholes put small businesses at a competitive disadvantage and undermine public confidence in our tax system.

OSPIRG research estimates that Oregon's state budget loses an estimated \$283 million in annual revenue as a result of the abuse of offshore tax havens by multinational corporations.¹ The analysis was based on IRS data on the distribution of income tax filings across the fifty states, with data then applied to the prevailing corporate tax rates in each state.

A proposal within House Bill 2456 would begin to tackle this problem and bring \$18 million back to Oregon every year.

This proposal is proven to work. Montana, a much smaller state than Oregon, instituted a similar policy in 2003 and has brought \$6 - \$8 million back to state coffers annually—more than was originally projected.

Please support ending offshore tax haven abuse and protect ordinary Oregonians from shouldering the additional tax burden from the abuse of offshore tax havens.

Sincerely,



David J. Rosenfeld
Executive Director

¹"The Hidden Cost of Offshore Tax Havens: State Budgets Under Pressure from Tax Loophole Abuse," OSPIRG (January 2013), available at <http://ospirg.org/reports/orp/hidden-cost-offshore-tax-havens>.