



OREGON ASSOCIATION OF NURSERIES

Oregon Farmers, Ranchers, and Loggers Oppose the -3 Amendments to HB 2061

Personal income tax increase for small and family scale businesses



Our coalition **OPPOSES**:



- Changes to the Small Business Tax Cut that limit eligibility to S-Corps and Partnerships with 10 employees or more EVERY pay period. This effectively excludes seasonal businesses, such as agriculture and logging, from qualifying for the Special Session pass through (PTE) rates.



- Additionally, family farms and forests are disqualified with the new requirement that the 10 employees each work 1200 hours in a year.



These two provisions disadvantage our smallest operations (under 10 employees), excluding them from the Small Business Tax Cut. These amendments seem contradictory—natural resources are prioritized, but few family sized operations will qualify for the PTE rates.



Applying this change to the 2017 tax year hurts family farms and woodland owners who have already made business decisions for this tax year.



Taxable Income		Small Business Tax Cut (non-passive income)	Pre-2015 PTE Rates	Delta*
0	6,700	-	5.00%	-
6,700	16,800	7.00%	7.00%	0.00%
16,800	250,000	7.00%	9.00%	2.00%
250,000	500,000	7.20%	9.90%	2.70%
500,000	1,000,000	7.60%	9.90%	2.30%
1,000,000	2,500,000	8.00%	9.90%	1.90%
2,500,000	5,000,000	9.00%	9.90%	0.90%
5,000,000	+	9.90%	9.90%	0.00%



**Protect Oregon's family farmers, ranchers, and loggers
Please vote NO**