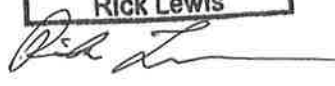


From the Desk of
Representative
Rick Lewis




OREGON
ASSOCIATION OF
NURSERIES



Oregon Farmers, Ranchers, and Loggers Oppose HB 2060A

Personal income tax increase for small and family scale businesses

Farmers, ranchers and foresters **OPPOSE:**

- Changes that restrict eligibility of small business tax rates 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 lower small business income tax rate.*
- Small family businesses will be disqualified with the new requirement that the 10 employees each work at least 1200 hours in a year.

These two provisions disadvantage our smallest operators (under 10 employees), excluding them from the current small business tax rates. These amendments seem contradictory—natural resources are prioritized, but few family sized operations will qualify for the reduced pass through rates.

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

Taxable Income		Current Small Business Tax Rates	Tax Rate if disqualified by HB 2060A	Percent Tax Increase*
0	6,700	5.0%	5.0%	-
6,700	16,800	7.0%	7.0%	-
16,800	250,000	7.0%	9.0%	28.5%
250,000	500,000	7.2%	9.9%	37.5%
500,000	1,000,000	7.6%	9.9%	30.3%
1,000,000	2,500,000	8.0%	9.9%	23.8%
2,500,000	5,000,000	9.0%	9.9%	10.0%
5,000,000	+	9.9%	9.9%	-

**Protect Oregon's family farmers, ranchers, and loggers
Please vote NO on HB 2060A**