



**LEAGUE OF WOMEN VOTERS®
OF OREGON**

The League of Women Voters of Oregon is a 98-year-old grassroots nonpartisan political organization that encourages informed and active participation in government. We envision informed Oregonians participating in a fully accessible, responsive, and transparent government to achieve the common good. LWVOR Legislative Action is based on advocacy positions formed through studies and member consensus. The League never supports or opposes any candidate or political party.

February 27, 2018

To: [House Committee on Revenue](#)
Chair, Representative Phil Barnhart
Vice-Chair, Representative Greg Smith
Vice-Chair, Representative Barbara Smith Warner

Re: [SB 1528 B](#) – disconnect from *federal* pass-through tax – **Support**

In evaluating specific tax preferences, the League uses the following criteria: whether the tax preference promotes equity and progressivity; and whether the revenue loss from the tax preference is justifiable. The League of Women Voters of Oregon believes any tax proposal should be evaluated with regard to its effect on the entire tax structure and the tax system should recognize responsibility for government services by providing for broad sharing of the tax burden.

Oregon continues to struggle to fund vital programs for education and early learning; safety net programs for vulnerable individuals and families; public safety; natural resources; and so many others areas. We regret that discussions on the merit of disconnecting from the *federal* tax section regarding pass-through taxes has become a contentious issue portrayed as being for or against small-businesses. In fact, business owners may be leaders in advocating for the health and well-being of their own employees and communities. A well-educated and healthy workforce is essential to business success.

While we look forward to a more complete consideration of broadly sharing the tax burden in future legislative sessions, **we urge the House Committee on Revenue to move this bill to the House floor this session.** Oregon can't afford to lose an estimated \$250 million by connecting to this section of the *federal* tax code. Oregon should address something as straightforward as this *federal* disconnect and then move forward in 2019 or future years with comprehensive bipartisan and bicameral tax reform for sufficient and stable revenue. Oregon's ability to fund essential services must rise above rancor, partisanship—reaching for a higher goal: our communities, our children, our families, our future.

Thank you for the opportunity to discuss this legislation.

Handwritten signature of Norman Turrill in black ink.

Norman Turrill
LWVOR President

Handwritten signature of Chris Vogel in black ink.

Chris Vogel
Tax and Revenue Portfolio

Cc: Email: lro.exhibits@oregonlegislature.gov
All members [House Committee on Revenue](#)
All members [Senate Committee on Finance and Revenue](#)
Governor Brown
Speaker Kotek
Senate President Courtney