



SB 194 – Shall Oregon End the Gambling Loss Deduction?

Testimony for Senate Finance and Revenue – Jody Wiser – 1.22.2019

After hearing staff analysis you will understand the potential values shift and revenue impact are for this bill. As our Steering Committee considered how to testify on it yesterday, we did not know that it would effectively return as income the itemized loss deductions of 10,000 non-professional gamblers and generate an additional \$11,500,000 a biennium for the General Fund.

However, we were very pleased that you are looking at disconnecting from this federal tax law. We're pleased that you are asking if it serves Oregon values.

We hope this session you will be consider disconnecting from several other bits of federal tax law. We want to draw your attention particularly to the capital gains tax breaks for 1031 Exchanges and Opportunity Zone investments. And we hope that you will consider making adjustments to the generosity of Mortgage Interest Deduction and Carried Interest as well. These federal provisions deserve your attention as surely as does the gambling loss deduction.

In its own tax code, Oregon has long chosen to tax all income at the same tax rates rather than advantaging the investor class with lower tax rates on capital gains. Each of these federal provisions deserves deep consideration as they challenge that Oregon value. We commend you for taking the time to evaluate how Oregon's tax system can best express our values, with SB 194 and with future bills.

We read the bills and follow the money