



638 West 39<sup>th</sup> Street • P.O. Box 419264 • Kansas City, MO 64141-6264 • 816-561-5323 • [www.westerneda.com](http://www.westerneda.com)

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## Position Statement: HB 2264

House Revenue Committee

Re: Support for HB 2264

Mr. Chairman and Members of the Committee:

Western Equipment Dealers Association is an international trade association that represents approximately 2,200 farm, industrial and outdoor power equipment dealers in North America.

In Oregon, Western represents 64 dealer locations. Those locations account for over \$750 million in annual revenue and nearly 1,500 employees. Through the sale of equipment, parts, and service, our dealer members work in partnership with farmers and ranchers across Oregon to make them the most productive and competitive food producers in the world.

House Bill 2264 clarifies the original intent of this section of the Oregon tax code to continue providing an exemption for equipment used primarily in agricultural and horticultural activities or animal husbandry. As a policy, Oregon tax exemptions should be construed broadly in favor of the taxpayer. In some counties, the opposite is occurring whereby the law is being literally applied in favor of the taxing entity. This change in statute would make explicit the policy that tax statutes should be interpreted in favor of the taxpayer.

For equipment dealers and their customers, having a consistent and uniformly applied tax code is important to business operations. A checkerboard tax framework increases the cost of doing business. Uncertainty about what tax applies also increases the cost of doing business. These are unacceptable outcomes for businesses looking to do the right thing.

HB 2264 remedies that problem by drawing a clear line in statute so that equipment dealers and their customers can operate their businesses with certainty about their tax assessments without operating under conflicting application of the law based on location.

We strongly urge you support Oregon's Agriculture community by passing HB 2264.

Sincerely,

Eric Wareham  
Vice President of Government Affairs  
Western Equipment Dealers Association