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From THE DESK OF

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Vote No on HB 4164

This is a Tax on Small Business

- Proponents of this legislation are pitching it as a tax on “wealthy” individuals, but small businesses will be hit hard. Many small businesses organize as LLCs, S-Corps, etc., which means they file under the individual income side of the tax code and would be subject to the tax. \$125,000 is not very much income for a small business.
- While proponents say the new Metro tax will apply only to individuals making more than \$125,000 per year, there is nothing in HB 4164 that holds them to that. The income tax could apply to the first dollar earned.

What's the Plan?

- Funding homeless services is crucial, but the plan for this program is far from complete. Signals from proponents have been mixed, and it's not even clear whether Metro needs this new authority.
- The Legislature is considering other homelessness services measures this session. No one has talked about how these programs will be integrated, if at all. Let's address this important issue in a coordinated way that doesn't involve duplicative – and potentially conflicting – programs or funding streams.

Consider the Cumulative Impact of Several New Taxes

- Regional government leaders must look at the cumulative impact of all the new taxes passed in just the last year: the \$1 billion CAT; the 1% Portland gross receipts tax; the new payroll tax for paid family leave; new health care taxes, and many local taxes.
- Funding homeless services is an imperative, but it's not the only new tax on the drawing board in the Portland-metro area; in fact, Metro also is planning to propose a massive funding transportation measure for November, after putting a homelessness measure on the ballot in May.
- Added up, these new taxes put a huge burden on Oregonians and Oregon businesses.