



## **HB 2607 needs guard rails**

Testimony for the House Special Committee on Wildfire Recovery – Bennett Minton – 2.8.2021

Tax Fairness Oregon is a network of volunteers who advocate for a rational and equitable tax code. We have no objection to waiving the construction tax for rebuilding owner-occupied housing when localities believe it is in their interest to do so. We suggest it is inappropriate for the state to prohibit the tax without limitations.

For example, to bar collection of tax on reconstruction where an owner is replacing a 1000 square-foot home by a 3000 square-foot home is a gift. Or a home that is not generally owner-occupied and instead part of a business, either as a long- or short-term rental. We also think a permanent prohibition is excessive. If the legislature passes a version of the bill, it should study the effects.

All too often the legislature reduces tax revenue for local jurisdictions. The bill needs an amendment that gives them a voice.