



**HOUSE OF REPRESENTATIVES**

Testimony in Support of SB 312-1

February 10, 2021

Chair Burdick, Vice Chair Boquist, and Members of the Committee,

My name is Khanh Pham, Representative for House District 46. I am honored to testify in support of SB 312 with the -1 amendment. Oregon has a corporate tax avoidance problem, but the public cannot see the problem clearly when corporations can hide from the public how just much they pay in Oregon income taxes, and hide which tax loopholes and subsidies that corporations exploit.

Many states face the same problem, and the deck is stacked against revenue leaders like this committee. But Oregon can take an essential step towards fairness by passing Corporate Tax Transparency so we have the information we need to act. In a time of growing wealth inequality, when multi-state, multi-national C-corporations traded on the stock market are seeing record gains while communities are hit hard by the interconnecting crises of COVID, racial and wealth inequality, and climate change -- ***the issue of fairness is at stake***

When corporations are able to avoid taxes and hide their profits outside of Oregon, there are less resources for schools, housing and other essential services and Oregon families are left to make up the difference. The share of Oregon income taxes paid by corporations has declined by more than 60 percent since the mid-1970s. At the same time, national corporate profits have never been higher. Multinational corporations artificially shift profits abroad to tax havens to avoid income taxes here in Oregon. Armies of corporate lawyers lobby for tax loopholes and subsidies meant to further enrich large corporations. In our state, about 7 in 10 corporations — including half of corporations with Oregon sales over \$100 million — pay the minuscule corporate minimum tax. **In other words, corporate profits have grown but their contribution to Oregon has not kept up.**

SB 312, provides Oregonians the information needed to reform the corporate income tax system, and hold accountable corporations to contribute back to the communities that help them profit. It targets the most mysterious and profitable corporations to disclose certain tax and financial information -- focusing only on corporations that are publicly traded, that operate in multiple states or nations, and benefit from a tax expenditure given by our state. The large corporations required to file a disclosure with the Oregon Secretary of State will need to provide information from two years ago on their sales, profits, and how much they benefited from each tax break available in Oregon, among other information listed in SB 312-1.

In short, enacting corporate tax transparency would increase accountability and tax fairness — a win for all Oregonians. I urge you to support SB 312 with the -1 amendment. Thank you.