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To: Joint Committee on Tax Expenditures; [others]...

Re: I OPPOSE [SB 43]...Property owners do not receive any "tax credits" whatsoever on their property taxes. Why?

Excerpt from [SB 43] states, " SECTION 2. ORS 315.514 is amended to read: 315.514. (1) A credit against the taxes that are otherwise due under ORS chapter 316 or, if the taxpayer is a corporation, under ORS chapter 317 or 318, is allowed to a taxpayer for certified film production development contributions made by the taxpayer during the tax year to the Oregon Production Investment Fund established under ORS 284.367. (2)(a) **The Department of Revenue shall, in cooperation with the Oregon Film and Video Office, conduct an auction of tax credits under this section.** The auction may be conducted no later than April 15 following December 31 of any tax year for which the credit is allowed. The department may conduct the auction in the manner that it determines is best suited to maximize the return to the state on the sale of tax credit certifications and shall announce a reserve bid prior to conducting the auction. The reserve amount shall be at least 90 percent of the total amount of the tax credit. Moneys necessary to reimburse the department for the actual costs incurred by the department in administering an auction, not to exceed 0.25 percent of auction proceeds, are continuously appropriated to the department. The department shall deposit net receipts from the auction required under this section in the Oregon Production Investment Fund."

Does this program pay for all costs incurred by the Department of Revenue including salaries, benefits and any and all overhead expenses?

Excerpt from [SB 43] states, "Section 2.... (b) The Oregon Film and Video Office and the department are not liable, and a refund of a contributed amount need not be made, if a taxpayer who has received tax credit certification is unable to use all or a portion of the tax credit to offset the tax liability of the taxpayer. (5) To the extent the Oregon Film and Video Office does not certify contributed amounts as eligible for a tax credit under this section, the taxpayer may request a refund of the amount the taxpayer contributed, and the office shall refund that amount..."

"Section 2..." continues to document convoluted accounting procedures to support this program.

Whereas, I SUPPORT the film industry, **I OPPOSE [SB 43]** due to the discriminatory basis to wit this program is funded and the potential tax revenue which is "gifted" and thereby summarily pissed away.

The State of Oregon gives tax credits for just about any matter under the sun yet, poor-mouths" to the property owners; property taxes must automatically increase 3% per annum (which is a compounded tax-rate, increasing taxes from one year to the next) to pay for State Services and other "give-away programs."

One of the worst fo the worst "give-away programs" is the State of Oregon's Department of Housing and Community Services.

Need I remind all of you, your collective mismanagement of taxpayer monies constitutes a Biblical plague.

The Film Industry will come to Oregon because it is their interests to do so. The Film Industry is awash with cash.

Property owners, who are compelled by law to fund the State of Oregon can either; continue to pay the tax or sell their property and move to a more fiscally responsible state such as Idaho.

Respectfully submitted,
/s/ David S. Wall
Mr. Oregon concurs.