

SMART GROWTH COALITION

February 21, 2023

Chair Mark Meek
Vice-Chair Brian Boquist
Senate Finance & Revenue Committee
Oregon State Legislature
900 Court Street NE
Salem, OR 97301

Sent electronically

RE: Establishing a Task Force on Tax Competitiveness

Dear Chair Meek, Vice-Chair Boquist, and Members of the Committee,

Thank you for the opportunity to submit these comments in support of SB 45, which establishes a task force to evaluate Oregon's tax competitiveness relative to other states and recommend actions for the legislature to lure investments into our communities. We believe the task force is an opportunity for the legislature to set up a collaborative forum to understand our strengths and weaknesses and establish a roadmap to position the economy for growth.

About the Smart Growth Coalition

The Smart Growth Coalition is a consortium of traded sector businesses with significant operations in Oregon. Our coalition was formed in 1999 to add technical expertise to state legislative proceedings regarding proposed reforms to state tax law affecting businesses who have made investments in jobs and capital projects in the state. Our members are unified in their commitment to sound tax policies that encourage investment in Oregon and provide technical simplicity and clarity to the state tax code.

Oregon Should Establish a Task Force on Tax Competitiveness

While Oregon has many positive attributes, such as a highly educated and diverse workforce, a beautiful environment, and a thriving technology sector, the state's tax policies can be a deterrent to economic growth and competitiveness. Other states actively compete for business investment and talent, and Oregon must compete effectively.

A Task Force on Tax Competitiveness would allow taxpayers, practitioners, and other stakeholders to evaluate Oregon's tax policies and identify areas for improvement. These include our tax code's overall structure, rates, and incentives to determine which policies

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effectively promote growth. Most importantly, a task force could help build consensus and support for tax reform in Oregon. By bringing together stakeholders from government, business, and other sectors, the task force could create a dialogue and develop a shared understanding of the importance of tax competitiveness to the state's economic future. This legislation could help build support for changes to the state's tax policies and make it more likely that reforms will be implemented.

By examining the state's tax policies, identifying areas for improvement, and building consensus for tax reform, the task force could help ensure that Oregon remains a desirable location for businesses and individuals, now and in the future. We encourage your support of SB 45. Thank you.

Sincerely,

Jeff Newgard
Smart Growth Coalition

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