

Bennett Minton
Portland, Oregon

February 22, 2024

Senator Mark Meek
Chair, Committee on Finance and Revenue
Oregon Legislative Assembly
Salem, Oregon

Re: **SB 1526, Section 9**

Chair Meek and members of the committee:

I submit comments on the federal SALT deduction limitation workaround and the proposed policy change that would extend its largess to trusts.

On behalf of Tax Fairness Oregon and my colleague Brenda Gilmer, a former Montana tax administrator, I spoke on this same policy change [in 2023](#), noting the difficulty of preventing abuse. After I testified [in 2021](#) against the SALT workaround and in particular on its potential abuse, this committee narrowed its application consistent with our comments. Today I write on my own behalf, as a tax lobbyist dating to the 1980s.

We had an expression in D.C., hanging around the tax-writing committees of the Congress: Pigs get fat, hogs get slaughtered. Meaning, lobbyists who push beyond rational basis and common sense end up losing their favored tax provisions. I once had a senator become so exercised at my request for a change that he threatened to increase the taxes of my clients. This was back when Congress didn't always do the bidding of the rich and well-born, for whom I was a paid representative.

As for the SALT workaround, I am imagining you explaining at a town hall how you continue to try to widen this loophole, created by Congress but requiring state implementation to take effect.

I imagine that you will note that the loophole is not intended to cost the Oregon treasury anything, just the federal treasury (whose debt now exceeds 120% of GDP). Perhaps you will quote from the statement of Adam Abplanalp, who told you he makes his living teaching clients and other CPAs how it works.

I wonder if you will also mention the testimony of the Department of Revenue, which [last year](#) and again [this year](#) explained how complicated and expensive it is to administer this provision, and told you, again, that expanding its application to trusts would require additional manpower, and therefore additional appropriations. Last year, the Ways and Means Committee denied that funding and killed your attempt to expand the provision. This year the proposal is tucked into an omnibus bill, and I can't guess whether it will gum up the fate of the bill.

On its face, this provision is an exhibit for how lawmakers use the tax code to take from all of us and give to a certain subset of the most fortunate.

And all this effort for a provision that expires with the 2025 tax year. Congress may or may not extend or change the law that gave rise to this loophole. Meantime, the vast majority of Oregonians will subsidize its administration.

I am appalled.

A handwritten signature in black ink, appearing to read "Bennett Minter". The signature is written in a cursive, flowing style.