

Submitter:	Samer Kattih
On Behalf Of:	Imperial River Company
Committee:	House Committee On Revenue
Measure, Appointment or Topic:	HB4134

My name is Samer Kattih, and I am the owner and operator of The Imperial River Company in Maupin, Oregon. Our business provides lodging, recreation, and tourism-related services, and we employ local residents while serving thousands of visitors each year.

I am submitting this testimony to respectfully oppose the proposed 1.25% increase in the state lodging tax.

Tourism operators like us already operate on thin margins, especially in rural communities. Lodging businesses are facing rising costs across nearly every category - labor, insurance, utilities, maintenance, compliance, and financing - many of which have increased dramatically over the past few years. At the same time, Wasco County has recently increased its own lodging tax, meaning this proposed state increase would stack on top of an already higher local tax burden.

While a 1.25% increase may appear modest on paper, in practice it directly impacts pricing, competitiveness, and demand - particularly for price-sensitive travelers who are deciding between rural Oregon destinations and alternatives in neighboring states. Lodging taxes are one of the few taxes that are immediately visible to consumers at checkout, and incremental increases compound quickly. Over time, these costs discourage longer stays, reduce repeat visitation, and push travelers toward informal or short-term alternatives that may not contribute meaningfully to the local economy.

Rural tourism businesses like ours are not large corporations. We are locally owned, locally staffed, and deeply invested in our communities. Every additional dollar collected in lodging tax is a dollar that cannot be reinvested into employee wages, property improvements, guest experience, or expanded services that drive economic activity year-round.

It is also important to note that tourism operators already contribute significantly to state and local economies through employment, income taxes, property taxes, and the existing lodging taxes that help fund destination marketing and infrastructure. Increasing the tax burden further - especially so soon after a county-level increase - creates financial pressure without clear evidence that it will result in proportional benefits to the communities most affected.

I respectfully urge the state to consider the cumulative impact of recent and proposed

lodging tax increases, particularly on small, rural operators. A pause, reduction, or alternative funding approach would allow tourism businesses the stability needed to continue supporting local jobs, attracting visitors, and sustaining Oregon's outdoor and rural economies.

Thank you for the opportunity to provide input and for considering the real-world impacts this decision will have on Oregon's tourism operators and the communities we support.