

Submitter: Paul Turok

On Behalf Of:

Committee: Senate Committee On Finance and Revenue

Measure, Appointment or Topic: SB1507

Testimony in Opposition to Proposed Partial Decoupling from the Federal Tax Code

Chair and Members of the Committee,

My name is Paul , and I am an Oregon resident. I am submitting testimony in strong opposition to the proposal to partially decouple Oregon's tax code from the federal tax code in order to retain an estimated \$291 million for the state.

This proposal effectively raises taxes by eliminating deductions and relief that Oregonians currently rely on—particularly working families, small business owners, and individuals with vehicle loans who depend on those deductions to stay afloat in an already expensive state.

At a time when inflation remains high, housing costs continue to rise, and small businesses are struggling with labor shortages and operating expenses, this Legislature should not be balancing the budget on the backs of taxpayers. Preserving state revenue by removing tax relief is not fiscal responsibility—it is shifting the burden from government to citizens.

Decoupling Oregon further from the federal tax code also makes our state less competitive. Businesses considering where to locate or expand look for predictability and stability in tax policy. Oregon already ranks among the least business-friendly states in the nation, and this proposal moves us even further out of step with states that are actively attracting job creators.

Additionally, expanding or preserving tax benefits that are not tied to lawful employment or legal residency raises serious fairness concerns. Tax policy should prioritize Oregon residents who live, work, and contribute legally to our economy.

If the state faces a \$291 million budget gap, the solution should be spending discipline, prioritization, and reform—not quietly increasing taxes through decoupling while calling it “preservation.” Oregonians deserve transparency and accountability, not policy maneuvers that reduce their take-home income.

I urge the committee to reject this proposal and instead focus on responsible budgeting that protects working families, strengthens small businesses, and keeps Oregon competitive.

Thank you for your time and consideration.

Respectfully,
Paul Turok
Bend], Oregon