Submitter: Tracy Edwards

On Behalf Of:

Committee: Senate Committee On Finance and Revenue

Measure, Appointment or Topic: SB1507

Co-Chairs and members of the committee,

I am the Degree Evaluator for Mt. Hood Community College as well as a proud alumna. East Multnomah County will not recover from the consequences of losing significant state funding for its public institutions. Students in our area are already struggling to compete with students from the west side of the county, primarily due to economic inequities. Many of the students who attend MHCC are already using financial aid to fund their educations. Without state funding, increased tuition rates and program cuts will prevent East County young adults from benefitting from higher education. As a result, they will fall into an economic pit in which pay for low-skill low-wage jobs will never accumulate to the point of allowing them to afford education, housing, or necessities beyond their basic needs. They will pass this pattern on to their children and East Multnomah County will cease to thrive. I see students fighting to succeed, every day. But these students will not be able to complete their educations without the revenue that is gained from ALL the businesses that call Oregon home. Do not sell out the futures of Oregonians by cutting deals for corporations. Be proud of our state and create a thriving legacy!

Oregon families are paying more to put food on the table, heat their home, see a care provider when they're sick, and more. To make matters worse, new tax breaks passed by D.C. politicians just months ago are enriching billionaires at the expense of everyday people.

Balancing Oregon's budget solely on the backs of working families by cutting critical services is simply wrong. Working families here in Oregon are counting on you to make a different choice.

As our voice in Salem, we are counting on you to close tax loopholes and reject some of the most egregious and costly tax breaks for corporations and the wealthy:

1. Bonus Depreciation: A flawed tax break for wealthy corporations which threatens to rob $641 million from schools, public safety, and critical services over the next three biennia.

2. FDDEI: Foreign-Derived Deduction Eligible Income (FDDEI), formerly known as FDII: a tax break that rewards corporations for generating income overseas but creates a $135 million budget gap each biennium.

3. GILTI: The Net CFC Tested Income, formerly the Global Intangible Low-Taxed Income (GILTI), allows corporations to exclude up to 80% of their profits related to overseas activities. We can avoid $245 million in cuts each biennium simply by shrinking this tax loophole.

4. QSBS: The Qualified Small Business Stock (QSBS) exclusion allows venture capital firms to avoid paying taxes on all or part of their profits from selling certain stocks. 94% of the tax benefits from QSBS go to households with over $1 million in annual income.

5. “Opportunity” Zone Tax Breaks: This tax break lets investors reduce taxes on capital gains by using those gains to buy property and other assets located in specific designated areas, including places thousands of miles away from Oregon.

Billionaires and wealthy corporations spent millions lobbying D.C. politicians to pass many of these tax breaks… and more. Those politicians made the wrong choice.

The decision before you and your colleagues this session should be clear: Prioritize protecting Oregon families, not further enriching the ultra-wealthy.

Thank you,

Tracy Edwards