

Submitter: Lellaniah Adams
On Behalf Of:
Committee: Senate Committee On Finance and Revenue
Measure, Appointment or Topic: SB1507

Dear Members of the Committee,

As a resident of Marion County, Oregon, I am writing to strongly oppose Senate Bill 1507, which would introduce a regressive statewide sales tax under the guise of income tax reduction. Oregonians are already shouldering a heavy tax burden, and adding a sales tax would disproportionately harm low and middle income families while doing little to alleviate our existing high taxes. Oregon currently has no statewide sales tax, which contributes to our relatively low ranking in sales and excise taxes—46th in the nation. However, this is offset by one of the highest personal income tax burdens in the country. Our state ranks 6th nationally in personal income tax per person, with a top marginal rate of 9.9%. Overall, Oregon's total state and local tax burden stands at 9.06% of personal income, placing us 20th highest among all states. This is compounded by our property tax burden, which ranks around the middle nationally, and a business tax burden that exceeds the national average. When including federal taxes—such as income, payroll, Social Security, and Medicare—the average Oregonian must work approximately 3.5 to 4 months (about 110–120 days) into the year just to cover all combined federal, state, and local taxes before earning money for personal use. This Tax Freedom Day concept highlights how heavily taxed we already are, with Oregon's total effective burden often slightly above the national average due to our high state income tax rates. A sales tax is inherently regressive, meaning it takes a larger percentage of income from lower-earning households who spend more of their money on taxable goods. In a state where we already rank poorly in tax competitiveness—dropping to 35th overall in the 2026 State Tax Competitiveness Index—implementing this would further strain working families without addressing the root causes of our fiscal challenges. Voters have rejected sales tax proposals multiple times in the past, recognizing the unfair burden it places on everyday Oregonians. I urge you to reject SB 1507 and focus instead on reforms that make our tax system fairer and more efficient without adding new regressive taxes. Thank you for considering my testimony.

Sincerely,

A Resident of Marion County