

Submitter:

Parker Gohrick

On Behalf Of:

Committee:

Senate Committee On Finance and Revenue

Measure, Appointment or Topic: SB1507

I am writing in opposition to the proposal to bring a statewide sales tax to Oregon.

One of Oregon's defining economic characteristics is that it does not have a general sales tax. This has long been a point of stability and predictability for residents, families, and small businesses. A sales tax would fundamentally change how everyday Oregonians experience the cost of living and would disproportionately impact working families and those on fixed incomes.

Sales taxes are inherently regressive. They take a larger percentage of income from lower- and middle-income households than from higher-income earners because essentials make up a greater share of their spending. Even if exemptions are included, the overall burden still shifts toward people who can least afford it. At a time when many households are already strained by housing, food, healthcare, and energy costs, adding a new consumption tax would increase financial pressure.

Small and local businesses would also face new administrative and compliance burdens. Many Oregon businesses have built their pricing, accounting systems, and customer expectations around a no-sales-tax environment. A new tax structure would require system changes, reporting overhead, and ongoing compliance costs that fall hardest on small operators rather than large chains.

There is also a concern about tax layering. Historically, proposals for a sales tax are often framed as a way to reduce other taxes, but over time governments frequently keep existing taxes while adding new ones. Without strong, permanent, and enforceable offsets, residents could end up paying more overall rather than seeing true reform or relief.

Oregon should instead focus on improving efficiency, accountability, and prioritization within the existing tax structure before creating a new broad-based consumption tax. Budget discipline and targeted reform are preferable to expanding the tax base in ways that shift burden onto everyday purchases.

For these reasons, I respectfully urge you to oppose efforts to establish a statewide sales tax in Oregon.