

Written Testimony in Opposition to Oregon SB 1507 – Amendments 4 and 5

Chair and Members of the Committee,

My name is Lori Edwards-Olson, and I am a small business owner in Oregon. I am writing in strong opposition to SB 1507, Amendments 4 and 5, which would strip Oregon businesses of the ability to utilize federal equipment depreciation benefits.

Running a small business in Oregon has become increasingly difficult. Between rising labor costs, insurance, utilities, regulatory compliance, and inflation, many of us are barely surviving. These amendments would make it even harder by removing one of the few remaining tools small businesses have to reinvest in their operations.

Federal equipment depreciation provisions exist for a reason: they encourage businesses to invest in equipment, improve efficiency, and remain competitive. Oregon's decision to decouple from these federal benefits sends a clear and troubling message—that reinvestment, modernization, and growth are being penalized.

For small businesses like mine, purchasing equipment is not optional or excessive—it is necessary. Whether it's kitchen equipment, vehicles, machinery, technology, or safety upgrades, these purchases are often made with tight margins and long-term planning. The ability to depreciate equipment at the federal level helps offset the upfront costs and makes these investments possible. Removing this benefit at the state level increases our tax burden at the exact moment we can least afford it.

SB 1507 Amendments 4 and 5 effectively create a hidden tax increase on small businesses. Large corporations may be able to absorb these changes or shift costs elsewhere, but small, locally owned businesses do not have that luxury. The result will be fewer equipment upgrades, delayed maintenance, reduced productivity, and in some cases, fewer jobs or business closures.

Oregon already struggles with a reputation as a high-cost, high-tax state to do business. These amendments further erode our competitiveness and discourage investment within our borders. At a time when neighboring states are working to attract businesses, Oregon appears to be pushing them away.

Small businesses are the backbone of Oregon's economy and our local communities. We create jobs, support families, and reinvest locally. Policies like SB 1507 Amendments 4 and 5 undermine that foundation and make survival—not growth—the primary goal.

I respectfully urge you to oppose SB 1507 Amendments 4 and 5 and preserve Oregon's alignment with federal depreciation provisions. Allow small businesses the tools they need to invest, compete, and remain open.

Thank you for your time and consideration.

Respectfully submitted,

Lori Edwards-Olson

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