

February 18, 2026



Opposition to SB 1507
Eugene Area Chamber of Commerce
House Committee on Revenue

Opposition to SB 1507

Dear Chair Nathanson and members of the House Revenue Committee:

I'm writing on behalf of the **Eugene Area Chamber of Commerce**, representing thousands of employers across Lane County and the greater Eugene area. We join the already dozens of statewide business and industry groups and leaders in opposing SB 1507.

SB 1507 represents a significant shift in Oregon's tax framework that would increase complexity, reduce predictability, and undermine the stability businesses rely upon when making long-term investment decisions. The proposal has generated broad concern across Oregon's business and industry community, including nearly every major statewide employer organization, reflecting the seriousness of the economic risks associated with this legislation.

Oregon employers are already navigating one of the most challenging business environments in the country. The cumulative impact of rising taxes, regulatory complexity, workforce shortages, and economic headwinds has eroded the state's competitiveness relative to peer states. Multiple economic indicators show slowing private-sector growth, challenges within key industries such as manufacturing, and population trends that no longer support sustained economic expansion.

At a time when **Oregon should be focused on improving its economic outlook and attracting investment**, SB 1507 moves in the opposite direction by introducing new uncertainty into the tax code. Decoupling from Federal Tax Law would increase costs and administrative burdens.

One of the most valuable features of Oregon's current tax system is its alignment with federal tax law. Maintaining this connection helps simplify compliance for taxpayers, reduces administrative costs, and allows businesses, especially small and mid-sized employers, to plan effectively.

Moving away from that alignment would:

- Create additional compliance complexity for businesses operating in Oregon
- Increase accounting and reporting burdens
- Reduce transparency and predictability for taxpayers
- Place Oregon at a competitive disadvantage compared to states that maintain conformity with federal tax provisions.

These impacts disproportionately affect small and mid-sized businesses that lack extensive internal tax resources and rely on consistency in tax policy to manage operations.



Federal tax conformity supports investment, innovation and housing development in Oregon. Maintaining conformity with federal tax provisions is not merely a technical policy choice, it has real-world implications for investment and job creation. Federal provisions related to capital investment, research and development activity, and small business expansion provide incentives that help businesses modernize operations, grow their workforce, and invest locally.

Decoupling from these provisions risks weakening incentives that support:

- Equipment and infrastructure investments that improve productivity
- Research and innovation that drives Oregon's emerging industries
- Small business growth and entrepreneurship
- Housing and community development initiatives that rely on favorable tax treatment to remain financially viable

Oregon should be reinforcing policies that encourage reinvestment and growth rather than removing tools that support economic expansion.

Oregon's long-term prosperity depends on policies that attract investment, support employers, and provide economic certainty. As legislators consider ways to strengthen the state's economy, maintaining consistency with federal tax policy is an important foundation for stability and growth.

SB 1507 risks sending the wrong signal at a time when Oregon must focus on rebuilding confidence among employers, investors, and workers.

For these reasons, the Eugene Area Chamber of Commerce respectfully urges you to **oppose SB 1507**.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "Brittany Quick-Warner".

Brittany Quick-Warner
President & CEO
Eugene Area Chamber of Commerce