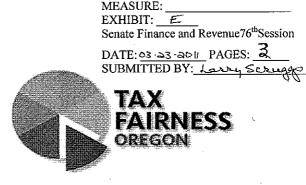
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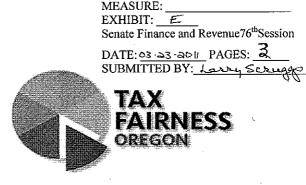
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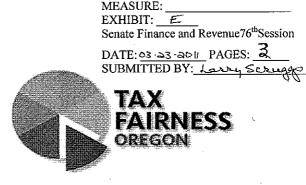
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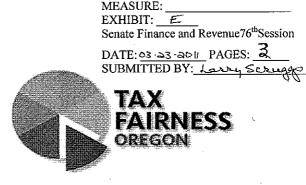
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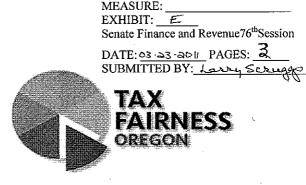
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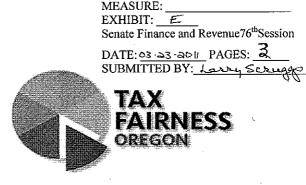
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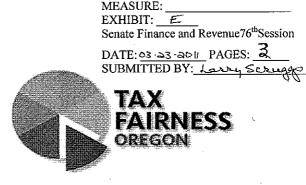
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- c. We've had significant federal tax cuts in 2001, 2003, and 2010 where are the jobs?
- d. Those who say that our capital gains tax rate hurts business need to look at our overall tax rates in Oregon. Don't just use one tax rate to prove a point. Rather use Oregon's overall tax rate to show that we are favorable to business. According to the Tax Foundation we're 14<sup>th</sup> in State Business Tax Climate. The Public Policy Institute of New York ranks us 9<sup>th</sup> in State Business Tax Climate.

Our recommendations relating to capital gains taxes are as follows:

- 1. Continue to follow Federal Law and allow up to 60% exclusion of capital gains for investing in small business corporations as defined in 26 USC 1202.
- 2. Continue to tax all income the same...
- 3. Conduct a cost benefit analysis of these bills. How much will this cost the State of Oregon in lost revenue? What will the state gain from this reduction? How many jobs will be created? How much development will result directly from these cuts?

We are in a very difficult financial position in Oregon. We don't see how more tax cuts are going to help us solve our problems.

### **Testimony of Larry Scruggs**



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