

May 23, 2013

To: Chairs Burdick and Barnhart and Joint Committee on Tax Credits Members

From: Main Street Alliance Business Owners

Re: Renew and strengthen the Oregon EITC

What will prompt small businesses to create jobs and help get the economy back on track? Having "more customers," according to a recent survey of small business owners.

And what creates a customer? Having money in working families' pockets.

This year, as Oregon state legislators, you have the opportunity to make sure that a quarter of a million struggling Oregon families have money in their pockets to spend in their communities by renewing and strengthening Oregon's Earned Income Tax Credit (EITC). The credit, which helps low- and moderate-income working families, is scheduled to expire at the end of 2013.

Main Street Alliance of Oregon asks you to extend and provide a meaningful boost to Oregon's state EITC by raising it from 6 to 8 percent of the federal credit, as recommended in Governor Kitzhaber's budget.

This will benefit small businesses and communities throughout Oregon:

- Working families will have more money to cover basics such as groceries, rent, utility bills and car repairs. These dollars are spent in local businesses.
- EITC spending reaches communities in <u>every legislative district across our state</u>.
- Low-income workers will be better able to cover work-related costs such as transportation and childcare, thereby strengthening our workforce.
- Many small business owners themselves who file for taxes as individuals receive the EITC to help support their families, educate themselves and keep their businesses alive and growing. More than 14 percent of filers with small-business income claim the EITC.
- In conjunction with the federal EITC, Oregon's EITC will continue to serve as part of our nation's most effective program for lifting working families out of poverty.

The following Oregon small business owners urge you to renew and strengthen Oregon's Earned Income Tax Credit, the tax credit for working families.

Yours Respectfully,

Andy Stone, Experiential Methods, Portland Barbara Campbell, Wabi Sabi Bend LLC, Bend Catherine Matthias, Stewart Jones Designs, Joseph Christopher DeVito, DeVito Insurance, Silverton Denise Sprengelmeyer, MODERN, Eugene Diana Richardson, Retired, Portland Gloria McMurtry, Talking Drum, Portland Dr. Harriet Cooke, MD, Portland Jim Houser, Hawthorne Auto Clinic, Portland Joan Kleban, Greater Goods Inc, Eugene Jon Riegel, Jack of All Beads, LLC, McMinnville Jose Gonzalez, Tu Casa Real Estate, Salem Kate Lindburg, Animal Crackers Pet Supply, Corvallis Leta Barclift, Pioneer Electric, The Dalles Mark S Kellenbeck, BrainJoy LLC, Phoenix

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