OREGON SMALL BUSINESS ASSOCIATION

Small Businesses Oppose Measure HB 2830

The Oregon Small Business Association opposes HB 2830 and the business sales tax otherwise known as the gross receipts sales tax.

Taxing business sales instead of taxing profits means you are taxing businesses when they are not making a profit. It also means you are taxing small businesses during deep recessions when they can least afford it. This also makes Oregon businesses less competitive during recessions against neighbor states that do not crush small businesses with sales taxes.

The gross receipts business sales tax, HB 2830 removes the 2015 small business tax relief savings. This 2015 small business tax cut was enacted in 2013 as part of the grand bargain and passed with bipartisan support and signed by Governor John Kitzhaber. The new business sales tax eliminates this tax relief package and replaces it with higher taxes. How are Oregon small business owners expected to forecast their taxes and do business in Oregon with the constant disruption to Oregon's tax structure?

The gross receipts business sales tax, House Bill 2830, dis-proportionally hits family owned businesses over non-family owned business c-corporations. It does this by allowing closely held businesses (family owned, LLC, S-Corp, Partnerships) to be double taxed while C-corporations are not double taxed. This means that similar businesses with the same sales will be taxed differently based upon their structure with the higher taxes charged to closely held companies.

The Oregon Small Business Association urges you to protect small business in your District and vote "No" on HB 2830.