

From THE DESK OF

 HD #50

**OREGON'S FAMILY FARMS URGE A NO VOTE
ON SB 139-A**



SB 139A is flawed policy which the House should reject. SB 139A would raise taxes on some of Oregon's smallest businesses – notably start-up companies – creating an unfair playing field hampering business growth at a time when our state needs to incentivize business. Some of our most innovative start-up, organic, and other small farms do almost all of the labor themselves (only bringing in some support during harvest) and may never meet the complex employee hourly requirement.

Oregon also needs to attract start-up businesses to locate here, eventually providing jobs and growing the state's economy. SB 139A would take Oregon in the opposite direction hampering recovery efforts and creating an unwelcoming environment for small businesses who do not meet the complex employee requirement.

Right now, many of the most progressive areas of the country (such as, Connecticut, Vermont, and even the District of Columbia) are cutting taxes during this pandemic. Not in Oregon. Under SB 139A, Oregon would raise approximately \$50 million in new taxes on small family-owned businesses. Oregon's small businesses are already furious over having to be locked down longer than 40 other states and they will be even more outraged when they get a 17% tax increase which is what will happen should SB 139A pass.

SB 139A would hammer small businesses many of which are organized as partnerships or S-corporations. Meanwhile, the largest companies, many of which are organized as C-corporations and are publicly traded on Wall Street, have the flexibility to absorb tax increases because of their sheer size and power. Small farmers and business owners do not have that luxury.

More careful and thoughtful deliberation on proposed changes in this key area of state tax policy is needed by the Oregon Legislature. The Oregon Family Farm Association urges a No vote on SB 139A.



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