

May 25, 2021



Senate Committee on Finance and Revenue
Senator Ginny Burdick, Chair and committee members
Salem, OR

Dear Senators,

I am writing to you as a local business owner in the Portland metro area. We are opposed to SB137-2 which would require forgiven PPP loan amounts in excess of \$100,000 be **added back as "taxable income"** for Oregon businesses that used the program exactly the way it was intended.

Many small businesses have been destroyed during the pandemic. Many of us have survived, but only because of the assistance provided by Congress through the PPP loans. The forgiveness part was an essential make or break for many businesses. We have used the money as intended and most importantly, **done our part of the bargain to keep people employed in family wage jobs**. It is unfair to change the rules in the middle of the game at this point. The unplanned and unexpected tax burden that would be imposed by our state, even after the IRS has concurred that the forgiven monies should not be subject to tax, **unravels the US Congress's intent** to help business through the pandemic.

I will also remind you that we are already paying more in tax during this pandemic as the CAT tax began without delay at the start of the pandemic. What more do you want from us????

The May Revenue Forecast was incredibly strong, projecting a \$2.8 billion positive ending balance. This amounts to a **\$1.1 billion increase** from the March Revenue Forecast and a \$2.3 billion increase from the 2019 Close of Session Forecast. The state has also been allocated \$2.6 billion in direct financial aid from the Biden Administration's American Rescue Plan Act of 2021, in addition to ARPA funds for local jurisdictions. Oregon does not need the money.

Given this, there is no budgetary justification for tax increases of any sort, including taxation of forgiven PPP loans.

Please oppose SB137-2 and show support for Oregon's small businesses! We really need it!

Sincerely,

A handwritten signature in blue ink that reads "Kimberly Prosser".

Kimberly Prosser
Stanley Prosser

A handwritten signature in blue ink that reads "Stanley Prosser".

Precision Door Service

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