



May 25, 2021

TO: Senate Committee on Finance and Revenue

**No on: SB 137-2**

**Support Oregon's small businesses!**

How discouraging to learn about SB 137-2, which would require forgiven PPP loans in excess of \$100,000 to be added as taxable income. These funds were used to keep people working and to support Oregon businesses who faced unprecedented challenges during the pandemic – and many, if not most, have not recovered. Remember, PPP loans were promoted as funds that would not need to be repaid, if specific guidelines were met.

This additional burden on small Oregon businesses is unnecessary, since Oregon is expected to have a \$2.8 billion positive ending balance and will likely issue kicker refunds. Plus, the state received ARPA funds, as did local jurisdictions. Yes, our government agencies deserve financial assistance to keep going through the pandemic. So, do local businesses.

This is a SURPRISE, unwarranted tax increase at exactly the wrong time.

Like many I'm disappointed to just learn of today's hearing. I've read about other hearings being called with little notice and thought people were probably misinformed. This situation certainly raises red flags that I didn't expect from Oregon's legislators.

You have no budgetary reason to tax forgiven PPP loans. Don't do it.

Sincerely yours,

Liz Cawood, APR  
President