



February, 8, 2023

TO: Chair Nancy Nathanson and the House Committee on Revenue

RE: HB2433 - Support Small Businesses; Raise the CAT exemption threshold

The Springfield Area Chamber of Commerce stands with Oregon's small businesses who have demonstrated exceptional resiliency under the most extraordinary pressures of inflation, workforce shortages, and rising cost of providing living wages and employee benefits.

We call on you to support HB 2433, a fair and timely piece of legislation, that would increase the Corporate Activities Tax (CAT) exemption threshold for small businesses from \$1 million to \$5 million and provide much needed tax relief to thousands of small businesses across Oregon.

Publicly, the CAT was sold as a tax to be shouldered only by big corporations. In reality, we know it to be a tax on Main Street businesses at a disproportionately high rate carried not only on their gross receipts but also throughout their supply chain costs. If you support local, small businesses and know the value they bring to the vibrancy of your communities, you can demonstrate that support by voting in favor of HB 2433.

The time has come to correct this erroneous legislation and allow our small businesses the room they need to breathe, grow, and reinvest in their operation and their employees.

Sincerely,

A handwritten signature in black ink, appearing to read "V. Mikkelsen", written in a cursive style.

Vonnie Mikkelsen
President and CEO