



February 8, 2023

House Committee on Revenue
Chair Nancy Nathanson
Oregon Street Capitol
900 Court Street NE, Room 160
Salem, OR 97301

Chair Nathanson and Committee members,

On behalf of the Bend Chamber's 1,150 members and 8,500 business in Central Oregon, we appreciate the opportunity to provide comments in support of HB 2433: Increasing the exempt amount and filing threshold for purposes of corporate activity tax.

Since the passage of the Corporate Activities Tax (CAT) in 2019, businesses across the state have weathered the challenges of a global pandemic, workforce shortages and economic uncertainty. The increase in the filing and taxation threshold to \$5M in gross receipts proposed in this legislation would provide much needed tax relief to small businesses in our community, and truly make a difference in their sustainability. Small businesses are the cornerstone of our local economy; their ability to survive and thrive has long reaching impacts throughout the community.

Since 2019, the business tax burden imposed by the state has increased by almost 45 percent, according to national accounting firm Ernst & Young and research conducted by Oregon Business & Industry. In 2019, Oregon's statewide business taxes were the nation's 38th highest. They're now the 21st highest, a leap of 17 places in a few short and challenging years. *This is unsustainable for businesses in our community and across the state.*

Re-building a business-friendly Oregon is a guiding principle for the Bend Chamber during the 2023 session, and the passage of HB 2433 would be a welcome start to that effort. We urge a yes vote on the bill and thank you for your consideration.

Best Regards,

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

Katy Brooks
President & CEO
Bend Chamber of Commerce

Creating an environment where businesses, their employees and our community excel together through collaboration, advocacy, resources and leadership to meet Bend's business challenges.