

David Allen
4400 Corvallis Avenue
Neskowin, Oregon
dave@monvisoinvestments.com

Re: HB 2977

I strongly oppose this bill for several reasons. First of all, there is really no connection to a tax on short term lodging and efforts to conserve or recover wildlife. Yes, some tourists are interested in wildlife, but it is a very loose connection and most tourists come for beaches or skiing. The bill itself talks about "Oregon residents" valuing wildlife, which is great, but this is not about tourism. Raise fishing and hunting fees if you feel the need to work on conservation and restoration.

Secondly, taxes on tourism are often easy targets. I have a home I rent in Neskowin and a majority of our rentals are to residents of Oregon. They want a family beach vacation. This tax becomes a tax on Oregon families who are not fortunate enough to own their own vacation home, they rent one. Families that own their own vacation home or have friends who do, pay not tax. Those than need to rent pay crazy taxes. But, there is a limit as to how much taxes people will pay. With county's raising taxes, rental companies raising fees, at this point, over 35% of our revenue goes to taxes or fees. That is not sustainable and over time, tourists will start to look elsewhere or take fewer vacations.

I also feel like it is misleading to discuss this as a 1% increase in the tax. Yes, it is technically adding 1% to the tax rate, but is a 66% increase in the current tax rate. That is not reasonable. Tourism contribute a significant amount of money to Oregon and local communities, yet with budgets tightening everywhere, it is possible we will tax this resource to the point that tax increase end up producing less revenue.

Now, if the State of Oregon wants to get into this STR taxing mess, great. Please limit how much counties and cities can tax short term lodging. 10% should be the maximum. Then a 2.5% state tax would perhaps not be unreasonable. But when counties go up to 15% plus, the burden gets to be too high. At the same time, the State of Oregon limits what counties and cities can charge, you should free up how the tax money collected can be used. The 70% supposedly going to "tourism" is really a joke how it is applied. The money isn't used to promote tourism, it is used to build infrastructure for locals. Parks, recreation centers, etc.... So, we need to tighten up restrictions on how the 70% can be used, or just do away with the limitations and let local governments do what they want, but put a cap on the total percent.

Please don't increase taxes on people who choose to vacation and need to rent, versus those that vacation and own. Thank you for you time and interest.

David Allen