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On Behalf Of:

Committee: House Committee On Agriculture, Land Use, Natural Resources, and Water

Measure, Appointment or Topic: HB2977

The golden goose is getting cooked!

Manzanita STR = 9%

Tillamook STR = 10% ->14%

State STR = 1/5% -> 2.5%

Total STR tax burden = 25.5% for Manzanita

Sounds great. A windfall!

But as a former business associate used to remind me: \$0 Revenue x 25.5% = ZERO!

People will take their hard earned dollars someplace else where they get better value. Stores, restaurants, services, all lose.

Cause in point: Portland has lost \$1Billion dollars of earned income from residents relocating because of tax increases and other issues. There is better value in other cities.

It's a great strategy to tax revenue sources that don't vote, but there is a limit. A cumulative 25.5% for Manzanita STR is probably at the breaking point.

Increased tax rates, but lower total revenue ahead, and losses of income for businesses with decreased visitors.