



101 South A Street, PO Box 155, Springfield, OR 97477
541-746-1651 | www.springfield-chamber.org

March 3, 2025

RE: Support for SB381 and SB490

Chair Meek, Vice-Chair McLane, members of the Senate Committee on Finance and Revenue:

On behalf of the Springfield Area Chamber of Commerce and the hundreds of businesses we represent, I urge your support for SB 381 and SB 490, legislation that will provide much-needed tax relief for Oregon's small businesses by increasing the exemption threshold for the Corporate Activity Tax (CAT) from \$1 million to \$5 million.

Oregon's small businesses are the backbone of our local economies, creating jobs, providing essential services, and fostering economic resilience in our communities. However, in the wake of a global pandemic, businesses continue to face significant challenges, including workforce shortages, persistent inflation, and ongoing economic uncertainty. Now more than ever, the state must take steps to support the sustainability and growth of our Main Street businesses.

The current \$1 million CAT exemption disproportionately affects small businesses, many of whom operate on thin margins. 73% of businesses filing are under \$5 million in commercial activity; however, they only account for about 6.5% of total CAT revenue. Increasing the exemption threshold to \$5 million will provide meaningful relief to over 14,000 Oregon small businesses while preserving the integrity of the tax's revenue structure.

We respectfully ask this committee to pass either SB 381 or SB 490 to support Oregon's small businesses and strengthen our local economies. Thank you for your time and consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "V. Mikkelsen".

Vonnie Mikkelsen
President and CEO
Springfield Area Chamber of Commerce