

Submitter: Daniel Rinke

On Behalf Of:

Committee: Joint Committee On Addiction and Community Safety
Response

Measure, Appointment or Topic: HB3197

As a small business owner of a cider and wine company, I have been in the beverage industry for over 25 years, I am appalled that you are even considering applying sales taxes to Oregon made products. I do believe that all citizens and businesses should do their share in helping support our communities by paying taxes. Although this is not the time to impose a new tax as I and so many of my colleagues in the beverage industry are struggling just to pay our operating costs and keeping our employees employed! Energy costs have gone up, wages and living costs have gone up, packaging costs have gone up, our farming costs and fruit costs have gone up due to the previously mentioned. None of our prices on our goods have gone up and, in most cases, have gone down due to the downward trend in consumption. Also, as an industry we have noticed a 20-30% reduction in tourism to our tasting rooms. In my 25 years in this industry, I have seen 2 major market contractions. The first right after 9-11-2001 and the second right after the 2008 recession. We are in the 2nd year of the third market contraction that I have seen, and I expect this to last for at least 2-3 more years. On top of all this we just lost our Canadian distribution as they have removed all US beverages from their shelves, and I know that it does not seem like a lot but that was 6% of our sales that is now gone. I think that if you proceed with this tax that will be the last straw for a few of my colleagues and their employees. Please reconsider the timing of this proposed tax. Thank you so much for your time.