OREGON INDEPENDENT AND RV VEHICLE DEALERS OPPOSE NEW SALES TAX ON NEW AND USED VEHICLES IN -28 AMENDMENT TO HOUSE BILL 2025-A

Before: Joint Committee on Transportation Reinvestment / June 26, 2025 By: Darrell W. Fuller / fuller darrell@yahoo.com / 971-388-1786

Organ Vehicle Dealer Association

Chairs Pham and McLain, and Members of the Joint Committee:

The Oregon Vehicle Dealer Association (OVDA) is Oregon's largest association representing all DMV certified motor vehicle dealers, with approximately 500 dues paying members. Our members include franchised and independent dealers, boat and trailer dealers, RV dealers, powersports dealers and motorcycle dealers.



The Oregon RV Dealers Association (ORVDA) represents Oregon's franchised RV Dealers across the state. ORVDA members provide sales, service, repairs and parts to RV owners whether they live in Oregon, or are visiting Oregon from out-of-state. RVs include pulled trailers, fifth wheels, and self-propelled vehicles.

The -28 Amendment to HB2025-A is a step backwards for vehicle dealers, and for Oregonians hoping to afford a vehicle after it becomes operative.

ORVDA and OVDA oppose the new 2.25 percent sales tax on new and used vehicles (over \$10,000) incorporated in the -A28 amendment to HB2025-A.

HB2025-A increases the privilege tax on new vehicles from 0.5 percent to 1.0 percent. It also has a two-percent sales tax on new cars, and a one-percent sales tax on used cars (over \$10,000).

The -A28 amendments fold these three sales taxes into a single, higher, 2.25 percent sales tax on new and used vehicles (over \$10,000).

The -A28 Amendment increases the sales tax on vehicles even higher than the A-Engrossed version.