

Submitter: Elizabeth Eckstrom
On Behalf Of:
Committee: Senate Committee On Finance and Revenue
Measure, Appointment or Topic: SB1507

Co-Chairs and members of the committee,

Dear legislators, Together you collectively represent all Oregonians. I pray you will keep this fact in the forefront of your mind during this legislative session. The rich, while they have the money to make large political contributions, they do so only when it will buy them a benefit over the rest of society.. You are in a position and have a responsibility, to balance the scale. To ensure all Oregonians have a fair and equal chance to live a life worth living. You have an obligation to do your best for all your constituents. One question remains: will you keep all of us in mind or become puppets of the wealthy?

Oregon families are paying more to put food on the table, heat their home, see a care provider when they're sick, and more. To make matters worse, new tax breaks passed by D.C. politicians just months ago are enriching billionaires at the expense of everyday people.

Balancing Oregon's budget solely on the backs of working families by cutting critical services is simply wrong. Working families here in Oregon are counting on you to make a different choice.

As our voice in Salem, we are counting on you to close tax loopholes and reject some of the most egregious and costly tax breaks for corporations and the wealthy:

1. Bonus Depreciation: A flawed tax break for wealthy corporations which threatens to rob \$641 million from schools, public safety, and critical services over the next three biennia.

2. FDDEI: Foreign-Derived Deduction Eligible Income (FDDEI), formerly known as FDII: a tax break that rewards corporations for generating income overseas but creates a \$135 million budget gap each biennium.

3. GILTI: The Net CFC Tested Income, formerly the Global Intangible Low-Taxed Income (GILTI), allows corporations to exclude up to 80% of their profits related to overseas activities. We can avoid \$245 million in cuts each biennium simply by shrinking this tax loophole.

4. QSBS: The Qualified Small Business Stock (QSBS) exclusion allows venture capital firms to avoid paying taxes on all or part of their profits from selling certain

stocks. 94% of the tax benefits from QSBS go to households with over \$1 million in annual income.

5. “Opportunity” Zone Tax Breaks: This tax break lets investors reduce taxes on capital gains by using those gains to buy property and other assets located in specific designated areas, including places thousands of miles away from Oregon.

Billionaires and wealthy corporations spent millions lobbying D.C. politicians to pass many of these tax breaks... and more. Those politicians made the wrong choice.

The decision before you and your colleagues this session should be clear: Prioritize protecting Oregon families, not further enriching the ultra-wealthy.

Thank you,

Elizabeth Eckstrom