



## **SB 1586 – Sollman’s bill with the amendment is a bit better, but...**

Senate Finance and Revenue – Jody Wiser – 2.18.2026

My name is Jody Wiser and I am representing Tax Fairness Oregon, a network of volunteers who advocate a rational and equitable tax code.

There are numerous issues we have with various elements of this bill. Those are in my written testimony.

**There is nothing in this bill that is compelling, nothing that begs to be done this session.**

### **DATA CENTERS**

**It’s relating clause, however, makes it an opportunity for the committee to end all subsidies for data centers and cryptocurrency in our state.**

**Prudent legislators in other states are speaking of ending their subsidies of data centers or at least putting a moratorium in place.** You can see a set of headlines about that in the testimony for this bill by searching my name and looking for the item labeled “Report”.

**We hope you will enact an amendment to this bill that ends our subsidies of these businesses in all three of our property tax exemption programs,** the Standard Enterprise Zone program used in urban areas, and the Long Term Rural Enterprise Zone and Strategic Investment Program used in rural parts of the state.

**Property tax subsidies for data centers and cryptocurrency are now totally unnecessary and currently costing a total exceeding \$450 million this year, up from \$330 million last year.** One third of that is statewide K-12 funding. In fact, we are the most generous state in the country.

**Neither California or Washington State offer any property tax exemptions to data centers or cryptocurrency miners.** Each state has a sizable sales tax. California doesn’t even give that away and Washington State’s sales tax exemption is limited to equipment and energy infrastructure.

Our subsidies may be why so many of these businesses started building here, but they are now cemented to Oregon. We have 10 undersea cables coming from Asia. California with then times the population and is the center of technology, has 15, Washington State has two.. Data center businesses like to build in clusters, we have those. To continue our massive subsidies is a mistake.

If you end their eligibility for our three property tax exemption programs, we will still be the best tax deal for these businesses on the west coast.

## **EQUIPMENT TAX BREAK**

**The bill also creates a new five-year property tax break for machinery and equipment used in “advanced manufacturing.”** That could be forestry or semiconductor equipment, or servers at data centers. This tax exemption **has no job creation or pay requirements. Today new equipment often eliminates jobs.** In other words, **this could be a simple handout** to a business providing no benefit – or a negative benefit - to the state and local community.

## **REGIONALLY SIGNIFICANT INDUSTRIAL SITES (RSIS)**

**The change to the RSIS program makes it easier for local communities or private developers to claw back from the state 50% of the Personal Income Taxes of employees. Why? To pay for the infrastructure for the site of the business. As homeowners these employees would pay for this infrastructure themselves. Why are business property owners not also paying for the infrastructure they need?**

## **ADVANCED MANUFACTURING TAX CREDIT**

**Similarly, the new advanced manufacturing tax credit deserves study.** For example, the way it reads, even if a business is disqualified, it still gets a year of the tax credit, and zero jobs are required.

**Watch the clip in Chuck Sheketoff’s submitted testimony.**

**It shows a businessman saying in this very room a decade ago “would Tektronix be doing anything different in its business if it did not have a credit on its books? I would say no. I’ll be on record saying that.” That’s when earlier legislators ended the R&D tax credit.**

**Nonetheless, this bill not only adds the new advanced manufacturing tax credit, it extends the semiconductor R&D tax credit to 12 years without sunset & review. Both tax credits apply to any business with refundable credits so that the much of the benefit goes out the door whether or not the businesses owe any Oregon income taxes. This is a zero sum game.**

**Further, there is no transparency for the public or employees about which businesses are getting this benefit. Why? To avoid whistle blowers? Because the businesses want to hide their public subsidy? It seems to us that any business that doesn’t want public disclosure can simply not apply.**

## **PERMITTING**

**The permitting section of the bill replicates a section of the Governor’s bill, requiring a catalog of permits, but no requirement that the permit lists be kept up to date.**

## **ADDITIONAL INDUSTRIAL LAND FOR HILLSBORO**

Two weeks ago I stood and looked at 500 acres being farmed but zoned for industrial use in Hillsboro. An additional large site seems unnecessary, and as Mary Nolan pointed out on Monday, Hillsboro has not asked for any additional industrial land.

## **PAYING FOR MORE TAX BREAKS**

**It's time to understand that trickle down doesn't work. And that businesses should be asked to pay they own way.**

**The current income tax breaks we give to corporations add up to more than \$600 million a biennium according to Marcia Kelley's study of the Tax Expenditure Report.**

**If you feel you MUST DO SOMETHING ELSE FOR OUR BUSINESS CLIMATE, ask business which current tax breaks in that \$600 million they are willing to give up to pay for any new ones.**

**Or ask if they would rather keep the tax haven tax gains they fought for or get new tax breaks like those in this bill.**

*We read the bills and follow the money*