

FINDING FUNDING PROJECT #1

No New Tax Breaks

Be as disciplined as the 2009 legislature was

Our Situation Now

In the name of economic development, legislators have passed new property and income tax breaks, big subsidy expansions, and/or new programs in every session since 2003 – except when facing the recession in 2009. By 2015-17, the cumulative revenue cost was \$835 million.

In 2009, Legislators did something different. They passed not one new business tax break.

There are at least 80 bills asking for business subsidies already before the 2017 legislature– tax credits for jobs, reductions in the corporate minimum, property tax exemptions for equipment used in wine, liquor and marijuana edibles production, a restart and expansion of the New Market Tax Credit, and so on, and on, and on.

The Need

It's time to repeat the 2009 kind of discipline, and this time business is booming. Until we've found significant savings or new revenue, and seen them working, Oregon can't afford additional economic development spending.

The Solution

Anyone who wants subsidy expansions or new tax breaks must identify and win a source of funding, be it ending an existing tax break or program or successfully finding new revenue.

Enact no more business subsidies. Instead, identify the increased revenue source this session, spend the money next.

