



SB 381 and other CAT changes

Senate Finance and Revenue – Jody Wiser – 3.3.2025

Chair Meek and members of the committee:

My name is Jody Wiser, appearing on behalf of Tax Fairness Oregon, a network of volunteers who support a rational and equitable tax code.

SB 381, along with SB 490, raises the exemption for the Corporate Activity Tax from \$1 million to \$5 million which would have a dramatic effect on the revenue raised.

We have no objection to raising the exemption, though this seems to a foolish degree.

However any change to the CAT, whether excluding certain products or services, as does SB 440, or increasing the exemption should only be considered if the bill is revenue neutral. A bill could either increase the .57% rate or decrease the 35% subtraction to attain revenue neutrality.

We are concerned with any bill that would undermine the tax regime and shortchange the purposes for which it was enacted.

Obviously, it will be an ongoing task of the Finance and Revenue Committee and the Revenue Committee to counter both those who cry that their idea is justified and those who seek the CAT's death by a thousand cuts.

Thank you.