
CORONAVIRUS UPDATE

Prepared for OAFP

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The committee wrapped up their initial conversation around the long list of requests they have received from every corner of the state this afternoon. “There isn’t a single idea on [the list] that isn’t important. But most of these don’t need legislation to happen” said Chair Arnie Roblan (D-Coos Bay).

“Everybody is going to feel some pain in this, but hopefully we will be able to equitably spread whatever benefits we can” added Rep. Andrea Salinas (D-Lake Oswego).

The Co-Chairs and the ranking Republicans will take the comments they’ve heard and try to collate them into a list of items for legislative counsel to draft. Leadership will then negotiate a final package for a Special Session.

The Committee does not have any more meetings scheduled but expects the legislature will be called into a Special Session next week.

Delayed CAT Implementation

Legislators continued their discussion around whether it was appropriate to delay implementation of the corporate activities tax passed in the 2019 session.

The Committee seems to be willing to delay the tax for “small business” says Chair Arnie Roblan (D-Coos Bay). The question is, what is the threshold for being a “small business.” “There’s a group of big corporations that don’t need our help. How can we nuance this to include family owned businesses in Oregon that may be operating on small margins.”

Currently those businesses with gross receipts in excess of \$1 million have to pay the tax, but that could be raised to say \$5 million for the first quarter. Just 2% of Oregon businesses have revenues greater than \$5 million according to the Legislative Revenue Office.

Rep. Raquel Moore-Greene (R-Salem) pointed out that businesses in the \$1 -5 million range include family run hazelnut farmers. “I don’t want people to be misled. It’s a gross tax. Not net.”

There are also questions of whether to delay implementation or whether to delay filing and payment. The Committee did not discuss what would happen to schools and early childhood programs that will ultimately receive the tax dollars.

Negotiations will continue behind closed doors.

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