



**LEAGUE OF WOMEN VOTERS®  
OF OREGON**

*The League of Women Voters of Oregon is a 97-year-old grassroots nonpartisan political organization that encourages informed and active participation in government. We envision informed Oregonians participating in a fully accessible, responsive, and transparent government to achieve the common good. LWVOR Legislative Action is based on advocacy positions formed through studies and member consensus. The League never supports or opposes any candidate or political party.*

February 5, 2018

To: Senate Committee on Finance and Revenue  
Senator Mark Hass, Chair  
Senator Brian Boquist, Vice Chair

Email: [lro.exhibits@oregonlegislature.gov](mailto:lro.exhibits@oregonlegislature.gov)

Re: **SB 1527 (10.2)** – Limits nonpassive income to partnership or S corporation that may be claimed –  
**Comment**

In evaluating specific tax preferences, League uses the following criteria: whether the tax preference promotes equity and progressivity; and whether the revenue loss from the tax preference is justifiable.

The League of Women Voters of Oregon believes any tax proposal should be evaluated with regard to its effect on the entire tax structure and the **tax system should recognize the individual's responsibility for government services by providing for broad sharing of the tax burden.**

The pass-through business tax exemption limits Oregon's ability to invest in our schools and other essential services, and works against equity and progressivity. While LWVOR would prefer complete elimination of the Oregon pass-through tax break, we commend the effort to impose a limitation "not to exceed \$250,000" as drafted in SB 1527 (10.2). This should be limited to taxpayers with no more than \$250,000 of nonpassive income.

Thank you for the opportunity to discuss this legislation.

Handwritten signature of Norman Turrill in black ink.

Norman Turrill  
LWVOR President

Handwritten signature of Chris Vogel in black ink.

Chris Vogel  
Tax and Revenue Portfolio  
LWVOR Legislative Action