# **Roseburg Area Chamber of Commerce**

# Measure 118 Opposition & Actions 2024

# October 31, 2024

# VOTE!

Only five days to left to vote and we cannot emphasize enough how important it is for our members to VOTE. We also hope you'll join us in advocating for a NO vote on <u>Measure 118</u>. In addition to our opposition to Measure 118, the Roseburg Area Chamber has made endorsements in local legislative and city council races. For more information about the chamber's 2024 endorsements please see page 4 in our <u>September/October issue of</u> <u>Business Perspectives newsletter</u> online. A vote for chamber-endorsed candidates is a vote in support of local business.

# October 23, 2024 Remember to VOTE!

The Roseburg Area Chamber of Commerce encourages our members to VOTE and hope you'll encourage others to vote, too. We also advocate for voters to education themselves on the issues, especially <u>Measure 118</u>. In addition to our opposition to Measure 118, the Roseburg Area Chamber of Commerce has endorsed several individuals in local legislative and city council races. For more information about the chamber's 2024 endorsements, see page 4 in our <u>September/October issue of *Business Perspectives* newsletter online. A vote for chamber-endorsed candidates is a vote in support of local business.</u>

# October 11, 2024 Measure 118 Updates!

Ballots for November's general election will be mailed out next Wednesday, October 16. You are aware about the myriad of problems Measure 118 would create for Oregon businesses and citizens. Measure 118 proposes the largest tax increase in Oregon history, a tax on sales, including sales on utilities, food, insurance and medicine, to name a few. Our members can help get the word out to neighbors, customers, vendors, employees and friends.

<u>Yard Signs, Business Window Signs, Rack Cards and More</u>! The chamber has "NO on 118" yard signs available. If you/your business would like a sign, <u>email me HERE</u>! We have ordered business window signs and bumper stickers and will let you know when we receive them!

**Measure 118 Toolkit is Available!** The Defeat the Costly Tax on Sales Coalition's Outreach Toolkit for employers and coalition members is available. The chamber recognizes that for many of our members, direct engagement in political activity of any kind – either through communication with your employees, your customers, or vendors – requires careful consideration. This toolkit is intended as a resource for interested members as you think of various ways to communicate about Measure 118.

If you are interested in receiving the toolkit and associated resource documents, <u>CLICK HERE</u> and we'll email it to you. This type of grassroots connectivity is vitally important to defeat Measure 118.

<u>New "NO on Measure 118" Ad is Launched</u>! The coalitions' newest TV ad highlights several ways in which Measure 118's \$6.8 Billion annual tax on sales would increase costs for basic necessities like utilities, home and car insurance, gasoline, internet service, medicine, food and health care. Watch the ad here.

In case you've missed it, check out the first ad <u>here</u>. It which features Joel Kelly, an organic food grower and small business owner in Milwaukie, who describes the negative impacts Measure 118 would have on small businesses in Oregon.

These ads are part of a comprehensive effort by the Defeat the Tax on Sales coalition to inform Oregon voters about the negative impacts of Measure 118, a massive tax on sales that would drive up costs for Oregon households and businesses.

<u>What Others are Saying About Measure 118</u>! Oregon chambers of commerce and business organizations are not alone in recognizing the harm this measure would cause if passed. The list of labor unions, businesses, social justice advocates, elected officials and newspaper editorial boards opposing the measure keeps growing. Here's what just a few of them have to say:

"A tax that raises the price of medicine, food and utilities, saps funding for essential services and sends that money as rebates to all residents – regardless of income or need – is a formula for chaos." – <u>Oregonian</u> editorial board

"Oregonians think they have no state sales tax, but residents will pay more as businesses pass their tax costs along to consumers in order to survive." – <u>Wall Street Journal</u> editorial board

"Don't be fooled by Measure 118's 'tax rebate.' You'll pay for that windfall through higher prices on just about everything." – <u>Gresham Outlook</u>

"It's a half-baked idea that could prove incredibly damaging." - Yamhill County News-Register editorial board

"Measure 118 will hurt firefighters and other frontline workers by reducing available public safety funds in state, county and municipal budgets." – <u>Oregon State Fire Fighters Council</u>

"Measure 118 would divert vitally needed funds from the state's general fund, limiting access to resources that are vital for our communities, particularly communities of color who have been under-resourced. Measure 118 runs counter to our work to build the capacity of communities of color and will make it more difficult to achieve justice and equity goals." – <u>Coalition of Communities of Color</u>

"Measure 118 is a hot mess, and voters should reject it as inequitable and wasteful." Tax Fairness Oregon

"If passed, Measure 118 would push us to the breaking point. While other businesses may pass this tax on to consumers, independent oncologists cannot pass this on to our patients – nor would we want to." – Dr. John Schuler, radiation oncologist

"Measure 118 would threaten small businesses by imposing a \$6.8 Billion tax on sales, the largest tax increase in Oregon history. It would drive up costs for basic supplies we need to run our business and force us to pass those costs onto our customers." – Joel Kelly, small business owner

"Measure 118 is another out-of-state and dangerous experiment that doesn't align with the needs of Oregonians." – <u>Senate</u> <u>Minority Leader Daniel Bonham, R-The Dalles</u>

"I am opposed to this ballot measure. It may look good on paper, but its flawed approach would punch a huge hole in the state budget and put essential services for low-wage and working families at risk." – <u>Gov. Tina Kotek</u>

"Measure 118 would hurt seniors living on fixed incomes by increasing prices for housing, groceries and medications – none of which are exempted from this tax. The last thing our state needs is to send rebates to wealthy folks who do not need it at the expense of services supporting our most vulnerable Oregonians." – <u>Oregon State Council of Retired Citizens and the United Seniors of Oregon</u>

#### October 4, 2024

# "NO on Measure 118" Yard Signs Are Available!

Only 12 days until ballots are mailed out for November's general election. The chamber has "NO on 118" yard signs available. If you/your business would like a sign, <u>email me HERE!</u> We have ordered business window signs and bumper stickers and will let you know when we receive them!

**Reminder!** <u>Measure 118 Toolkit is Available</u>. Last week, the Defeat the Costly Tax on Sales Coalition released an Outreach Toolkit for employers and coalition members. The chamber recognizes that for many of our members, direct engagement in political activity of any kind – either through communication with your employees, your customers, or vendors – requires careful consideration. This toolkit is intended as a resource for interested members as you think of various ways to communicate about Measure 118.

If you are interested in receiving the toolkit and associated resource documents, <u>CLICK HERE</u> and we'll email it to you. While the "NO on Measure 118" will have a good deal of paid communication, this type of grassroots connectivity is vitally important. It's trusted, it's personal and it's local. Thank you to our members who have already reached out to get the toolkit!

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## September 28, 2024 Measure 118 Toolkit is Now Available!

On September 27, the Defeat the Costly Tax on Sales Coalition released an Outreach Toolkit for employers and coalition members. The chamber recognizes that for many of our members, direct engagement in political activity of any kind – either through communication with your employees, your customers, or vendors – requires careful consideration. This toolkit is intended as a resource for interested members as you think of various ways to communicate about Measure 118.

If you are interested in receiving the toolkit and associated resource documents, <u>CLICK HERE</u> and we'll email it to you. While the "NO on Measure 118" will have a good deal of paid communication, this type of grassroots connectivity is vitally important. It's trusted, it's personal and it's local.

Speaking of ads! The campaign also launched its first television ad on September 27. The ad is airing on broadcast, cable, streaming and digital platforms. I saw the ad during last night's Mariners' game and you can watch it <u>HERE</u>!

Oregon ballots will be mailed in just 18 days. If you haven't done so yet, check out the nearly 60 statements opposing Measure 118 that will appear in the <u>state Voters' Pamphlet</u>. The arguments come from a broad array of individuals and organizations—farmers, manufacturers, family-owned businesses, elected officials and labor unions and, includes your Roseburg Area Chamber. Thank you, again, to all our members who support the Roseburg Area Chamber PAC (RACPAC), which allows this level of advocacy for Douglas County businesses to happen.

#### September 18, 2024

#### Help Spread the Word . . . "No on Measure 118!"

While "election day" is November 5, Oregon ballots will be mailed out on October 16, or in 28 days. If you haven't visited NOonMeasure118.com to get important information and joined the statewide coalition against this devastating proposal, please do so. Already part of the coalition? There's more you can do to help spread the word. Visit our coalition's action center and consider:

- Sharing your story by uploading a video or submitting a written testimonial about why you oppose Measure 118
- Downloading materials, including fact sheets and other information

- Requesting campaign materials like yard signs and bumper stickers
- Sharing social media posts
- Much more

A communications toolkit is being created that businesses can use to talk with employees and others about the measure's massive tax hike. We'll reach out and let our members know as soon as the toolkit is available.

Meanwhile, check out the nearly 60 statements opposing Measure 118 that will appear in the <u>state Voters'</u> <u>Pamphlet</u>. The arguments come from a broad array of individuals and organizations—farmers, manufacturers, family-owned businesses, elected officials and labor unions and, includes your Roseburg Area Chamber. Thank you, to all our members who support the Roseburg Area Chamber PAC (RACPAC), which allows this advocacy for our businesses to take place.

#### September 5, 2024

# The Coalition Voting "NO" on \$6.8 Billion Annual Tax on Sales is Growing!

Join local and statewide organizations, businesses, elected officials and individuals Voting NO on Measure 118! If passed by voters in November, the massive \$6.8 Billion annual tax on sales would be the largest tax increase in Oregon's history. This drastic measure is a "tax on a tax" that would make Oregon products more expensive, make companies less competitive, and increase prices on Oregon consumers.

If you haven't already done so, please visit **NOonMeasure118.com** to get important information about this flawed proposal. Join our <u>growing coalition</u> and, be sure to like and follow the campaign on <u>Facebook</u>, <u>X</u> and <u>Instagram</u>. Please share information about this devastating tax on gross sales with others.

#### August 28, 2024

# ACTION ALERT! Join Us in Voting "NO" on \$6.8 Billion Annual Tax on Sales

Join the Coalition Voting NO on Measure 118! This massive \$6.8 Billion annual tax on sales would be the largest tax increase in Oregon's history. This drastic measure is a "tax on a tax" that would make Oregon products more expensive, make companies less competitive, and increase prices on Oregon consumers.

If you haven't already done so, please visit **NOonMeasure118.com**. Join our growing coalition and learn more about the effort to defeat this costly tax on sales. Please share this information about this devastating tax on gross sales with others within and outside your organization.

#### August 20, 2024

# Seven Things to Know about Measure 118's Deeply Flawed \$6.8 Billion Tax

Opposition to Measure 118 continues to grow as Oregonians learn about the damage this deeply flawed \$6.8 Billion annual tax on the sale of goods and services would do to the state's residents, businesses, economy and public services. Here are some facts to keep in mind:

- Measure 118 is a tax on sales, not income or profit. This tax on gross sales applies whether a business makes a lot of money, has small margins or even loses money.
- **Prices will go up.** There's no such thing as free money. Consumers will pay for this massive tax through higher prices as confirmed by the nonpartisan Legislative Revenue Office.
- **Measure 118 is a "tax on a tax."** Unlike a traditional sales tax that happens once at the final sale, Measure 118's tax on sales could apply at every step of the supply chain.
- Measure 118 makes Oregon businesses less competitive. Out-of-state farmers, manufacturers and others will have an immediate advantage because sales in their state won't apply.

- There's no guarantee anyone gets their "rebate." Future legislatures could amend this law at any time, use the money for something else, or increase the tax rate.
- Measure 118 taxes sales on everything—including everyday necessities. There are no product exemptions, so this tax on sales would apply to everything from groceries to gas, and from insurance to medicine.
- A broad, bipartisan coalition opposes Measure 118. Democrats and Republicans, business organizations and labor unions—the growing list of those who oppose this deeply flawed measure is unprecedented.

If you haven't already, please visit <u>NOonMeasure118.com</u> to join our growing coalition and learn more about the effort to defeat this costly tax on sales.

#### August 16, 2024

## Join the "No on Measure 118" Coalition & Vote NO in November

Since Measure 118 qualified for the November ballot, the effort to defeat the costly tax on sales has generated considerable momentum. More than 300 businesses and organizations have joined the coalition to fight this \$6.8 billion annual tax on goods and services. The coalition represents a diverse collection of industries from all parts of Oregon, and includes some of Oregon's largest and most innovative employers as well as small businesses that know just how harmful the indirect impacts of this costly tax can be. Joining coalition businesses and organizations is a bipartisan group of more than 40 legislators. Check out members of the coalition and Join Us Today!

If passed by Oregon voters, Measure 118 would impose a 3% tax on businesses with gross Oregon sales over \$25 million per year. The measure is essentially a gross receipts tax: It would tax sales, not profits – and businesses would be forced to pay the tax regardless of whether they were making a large profit, small profit, or were losing money.

Measure 118's tax would apply at every step in the production and selling process. By the time an Oregon product went from raw materials to a manufacturer to a packaging company to a distributor and then to a retailer, it might be taxed five times before it finally reached the consumer – driving up the cost far more than a typical sales tax.

To learn more about this costly tax on sales and join the growing coalition of organizations, businesses and individuals fighting it, please follow the link below.

NO on Measure 118

## August 7, 2024 Join the "NO on Measure 118 Movement

Measure 118 <u>qualified for the ballot</u> on July 24 following a signature-gathering effort funded by California activists. It would implement a massive new \$6.8 Billion tax on sales in Oregon, driving up costs on even staples like food and medicine for Oregon consumers. It also would make Oregon's businesses less competitive, eroding job growth and harming family farms and local businesses across the state.

If passed by Oregon voters, Measure 118 would impose a 3% tax on businesses with gross Oregon sales over \$25 million per year. The measure is essentially a gross receipts tax: It would tax sales, not profits – and businesses would be forced to pay the tax regardless of whether they were making a large profit, small profit, or were losing money.

Measure 118's tax would apply at every step in the production and selling process. By the time an Oregon product went from raw materials to a manufacturer to a packaging company to a distributor and then to a retailer, it might be taxed five times before it finally reached the consumer – driving up the cost far more than a typical sales tax.

To learn more about this costly tax on sales and join the growing coalition of organizations, businesses and individuals fighting it, please follow the link below.

# NO on Measure 118

# August 2, 2024 IP 17 Receives Ballot Measure Number / Join "NO on Measure 118" Today!

Yesterday, August 1, the Oregon Secretary of State's Office assigned a ballot measure number to a massive new tax that will appear on the November ballot. The costly tax on sales formerly known as Initiative Petition 17 (IP 17) is now officially **Measure 118**.

Measure 118 <u>qualified for the ballot</u> on July 24 following a signature-gathering effort funded by California activists. It would implement a massive new \$6.8 Billion tax on sales in Oregon, driving up costs on even staples like food and medicine for Oregon consumers. It also would make Oregon's businesses less competitive, eroding job growth and harming family farms and local businesses across the state.

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Measure 118's tax would apply at every step in the production and selling process. By the time an Oregon product went from raw materials to a manufacturer to a packaging company to a distributor and then to a retailer, it might be taxed five times before it finally reached the consumer – driving up the cost far more than a typical sales tax.

To learn more about this costly tax on sales and join the growing coalition of organizations, businesses and individuals fighting it, please follow the link below.

# NO on Measure 118

#### July 29, 2024

# NO on IP 17 Campaign Readies for November Ballot / Join Today!

This afternoon, a coalition representing businesses, consumers and organizations from across the state announced its formal opposition—<u>Defeat the Costly Tax on Sales</u>—to Initiative Petition 17 (IP 17), which qualified for the November 2024 ballot last week.

The proposal, which will receive a ballot measure number once the state elections division completes all of its validation processes, **would impose the largest tax increase of any kind in Oregon history**. The Legislative Revenue Office estimates that the tax on Oregon sales would collect \$6.8 billion per year by imposing a 3% tax on a corporation's sales above \$25 million annually. It is essentially a gross receipts tax that applies to sales, not profits. Businesses would have to pay even if they were making a small profit – or none at all.

Moreover, the tax would be applied at every step in the process of creating and selling a product in Oregon. By the time an Oregonian bought a product, it might have been taxed multiple times. The tax's effect would be far more pronounced – and regressive – than that of a typical sales tax.

IP 17 also provides no exceptions for staples like food, clothing, fuel or utilities. The Legislative Revenue Office estimates that it will increase prices in the state by 1.3%. For context, current CPI for our region is 2.8%. LRO also estimates that the measure would erode growth in jobs, wages, income and population over the next several years.

In short, IP 17 would substantially increase the cost of living in Oregon and the cost of doing business here. This would reduce the competitiveness of Oregon employers, who would have an even greater incentive to invest in other states – taking jobs and potential tax revenue with them.

The proposal would redistribute the billions of dollars it would collect to "eligible individuals," defined in the measure as anyone living in Oregon for just 200 days. However, nothing would prevent legislators from redirecting that money however they want with a simple majority vote.

Defeating this costly tax on Oregon sales will require the help of businesses, individuals and organizations throughout the state. Thank you to our Roseburg Area Chamber members that have already joined to coalition. To learn what you can do – and to receive regular updates on the campaign – please visit the campaign website below and join our growing coalition.

# Defeat the Costly Tax on Sales

#### July 18, 2024

## Join "Oregonians Against the Costly Tax on Sales" Coalition Now!

IP17 creates a gross receipts tax on a business' annual sales over \$25 million. It's a tax on their sales, not on income or profit. Therefore, even businesses that lose money would have to pay. This costly measure would be the largest tax increase in Oregon's history. It would hurt Oregon's economy and drive up costs for Oregonians and businesses at the worst possible time.

IP17 is even more costly than a traditional sales tax, because it happens at **every stage of the supply chain** in Oregon – from raw materials, through production and distribution, and even as it's placed on the store shelf you shop from. It will drive up costs of everything from groceries and gas to prescription drugs and housing construction. You can see a chart <u>here</u> that illustrates what we mean.

**Stop harmful policies driving up costs for small businesses.** Small businesses that don't have \$25 million in sales will see their prices rise, too. Here's just one example. Energy costs are a significant expense for small businesses. From powering storefronts and offices to running essential equipment, energy is a vital component of daily operations. Unfortunately, recent policy changes have led to a hefty increase in energy costs, placing an undue burden on small business owners who are already grappling with high inflation and workforce challenges.

Proponents claim that the tax revenue will be redistributed to "eligible Oregonians," but we know there's no such thing as free money. In fact, the new scheme would result in a loss to the state's general fund budget, which supports schools, behavioral health, public safety and other important priorities.

Despite what proponents say, if this passes, lawmakers in Salem could amend it with a simple majority vote and redirect the money anywhere they want, thus giving them a multibillion-dollar blank check with no accountability.

The Roseburg Area Chamber is urging member businesses, organizations and individuals join us as members of the "Oregonians Against the Costly Tax on Sales" coalition TODAY! Please join the growing coalition to defeat this costly tax on sales.

- IP 17 Facts
- <u>Business/Organization Coalition Member Form</u>
- Individual Coalition Member Form

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## July 11, 2024

# Costly Tax on Oregon Sales Proposed for November Ballot / Take Action Now!

Oregon business organizations and chambers have been monitoring <u>Initiative Petition 17</u> (IP 17) for the past couple of months. By the July 5 filing deadline, the petitioner behind IP 17, submitted a final batch of signatures, bringing the total he has submitted to 168,854. IP 17 proposes an increase to the state's corporate minimum tax structure by adding a 3% tax on Oregon sales in excess of \$25 million.

The petitioner needs 117,173 *valid* signatures to qualify for the November ballot. There is always some error rate associated with submitted signatures, so it's common for petitioners to aim for well over the required amount to account for the error rate. The Secretary of State's validation process began yesterday, July 10. The petitioner would need historically low accuracy to *not* qualify. The Secretary of State has up to 30 days to complete the validation process, which gives the SOS until August 4, although it is anticipated to be completed sooner.

This gross receipts tax will have extremely negative consequences, particularly since it applies at every stage of the supply chain. It will drive up costs of everything from groceries and gas to prescription drugs and housing construction.

**Stop harmful policies driving up costs for small businesses.** Energy costs are a significant expense for small businesses. From powering storefronts and offices to running essential equipment, energy is a vital component of daily operations. Unfortunately, recent policy changes have led to a hefty increase in energy costs, placing an undue burden on small business owners who are already grappling with high inflation and workforce challenges.

#### Here is why it's crucial to take a stand against these policies:

- The increased costs put a financial strain on small businesses by reducing cash flow, making it harder to make investments in growth and provide family wage jobs.
- As businesses take on higher operating costs, there is often no other option but to pass these costs on to customers. This only compounds the struggle for families already trying to cope with higher and higher living costs.
- High inflation combined with soaring cost of living increases are hurting families and their ability to meet their basic needs. Higher utility bills can stretch household budgets to the breaking point.

What happens with the money raised from this tax increase? It is "rebated" (the petitioner's language) to anyone living in Oregon for 200-plus days, including children, and regardless of whether an individual pays taxes.

Oregon Business & Industry (OBI) is leading the campaign against this costly tax on Oregon sales. It is critical that business leaders in our community and across Oregon are aware of this threat and are prepared to plug into efforts to oppose this massive tax expansion. This campaign will be similar to the battle we fought eight years ago against Measure 97. We cannot wait for the SOS validation to start this effort.

The Roseburg Area Chamber has joined the "Oregonians Against the Costly Tax on Sales" coalition and we encourage our members to do the same. As with Measure 97, the chamber will keep our members updated on issues related to IP 17 through the general election in November.

Important information related to defeating this costly tax:

- IP 17 Facts
- Business/Organization Coalition Member Form
- Individual Coalition Member Form

Stay tuned for more information and details!