

FACTS ABOUT INITIATIVE PETITION 17: The Costly Tax on Oregon Sales

A group of California pro-tax activists is collecting signatures to put a drastic tax increase measure on Oregon's November 2024 statewide ballot. If approved by voters, **Initiative Petition 17 would implement the largest tax increase in Oregon history** - hurting Oregon's economy and driving up costs for Oregon businesses and consumers at the worst possible time.

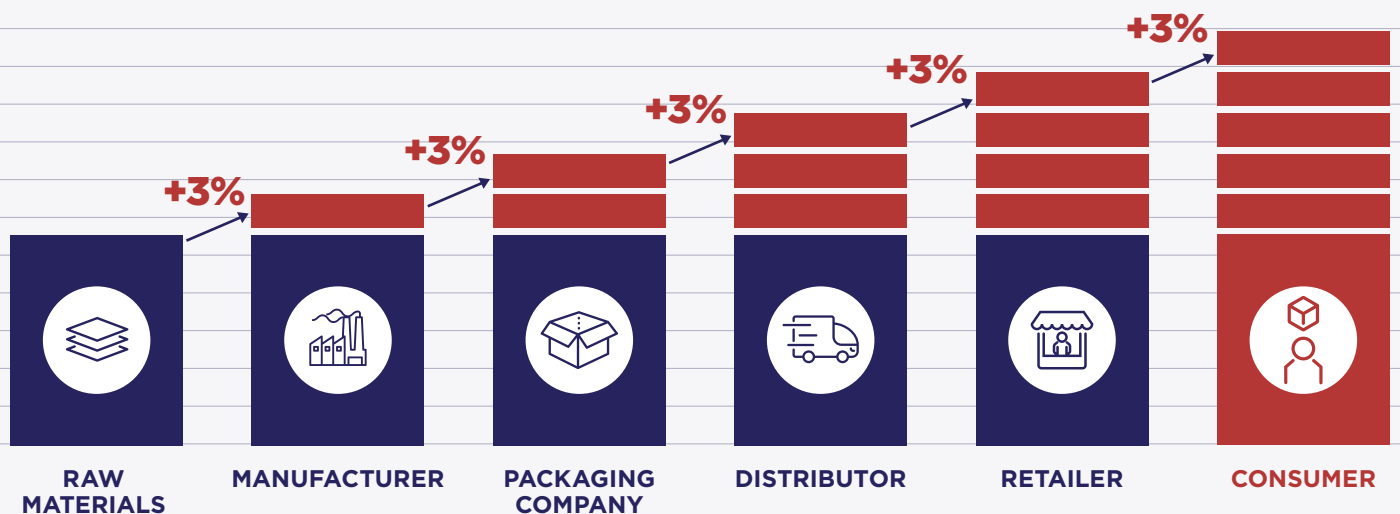
HERE'S WHY IP17 WOULD BE BAD FOR ALL OREGONIANS

IP17 WOULD IMPLEMENT A MASSIVE TAX ON SALES

IP17 is basically a gross receipts tax on businesses with more than \$25 million in annual sales. In other words, it's a tax on *sales* - not profits. That means Oregon businesses would be forced to pay this new tax regardless of whether they make a large profit, make a small profit, or are losing money. IP17 would force hundreds of local businesses to raise their prices, cut jobs, or shut down completely.

IP17 WOULD IMPOSE A "TAX ON A TAX"

IP17 would add a costly new 3% tax on sales at every step in the production and selling process. By the time an Oregon product goes from raw materials to a manufacturer to a packaging company to a distributor and then to a retailer, it may have been taxed five times before it finally reaches the consumer - making it far more costly than a typical sales tax.



IP17's drastic "tax on a tax" would make Oregon products more expensive, make Oregon companies less competitive, and increase prices on Oregon consumers.

IP17 WOULD MEAN HIGHER CONSUMER PRICES - AT THE WORST POSSIBLE TIME

By implementing the largest tax increase in Oregon history, IP17 would increase prices for everyday goods and services that Oregonians rely on – such as food, medicine, and electricity. That would especially hurt those who can least afford it, such as seniors and people living on fixed incomes.

IP17 comes at the worst possible time, when the cost of living is already out of control. Reports show that a typical Oregon household must spend \$11,000 more each year to maintain the same standard of living they had in 2021. IP17 would increase costs even further.

Source: Oregon Inflation Report, U.S. Congress Joint Economic Committee, May 2024

A BLANK CHECK FOR SALEM POLITICIANS

Despite what its promoters claim, IP17 does not guarantee that revenues from its massive new tax will end up in the pockets of Oregon residents. If IP17 passes, politicians in Salem could amend it with a simple majority vote and redirect the money anywhere they want – thus giving them a blank check, with no accountability to the public.

JOIN OUR GROWING COALITION URGING NO ON IP17

A statewide coalition of large and small Oregon businesses, organizations, taxpayers, consumers, and community leaders from across the state is coming together to oppose IP17. Your support is vital to help ensure we can defeat this costly tax on sales.

FOR MORE INFORMATION, PLEASE CONTACT:

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