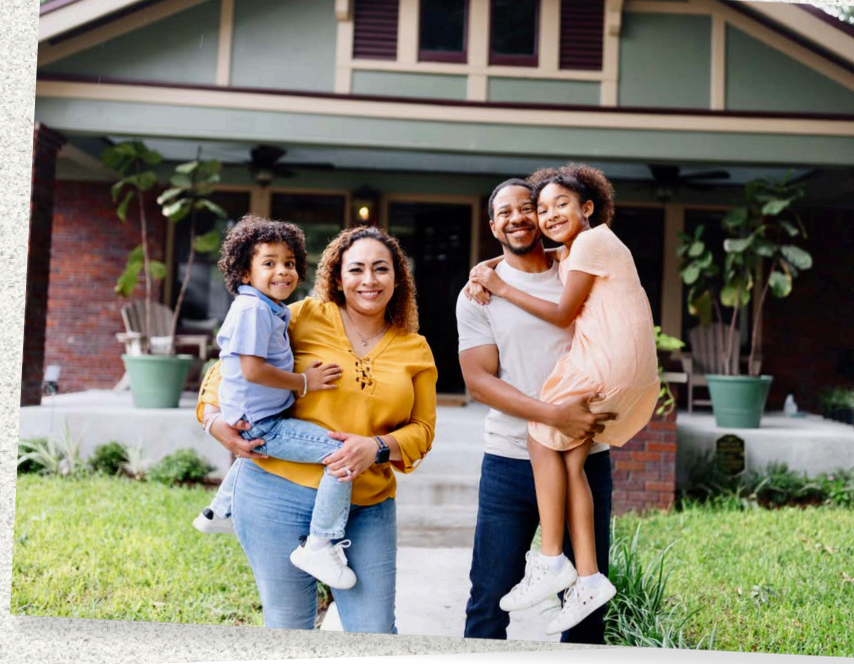
PROTECT WORKING FAMILIES

INSTEAD OF CORPORATIONS AND WEALTHY INVESTORS



This summer, Trump and Congressional Republicans passed H.R.1, an enormous tax and budget bill that slashes nearly $1 billion from Oregon's 2025-27 budget. Since Oregon automatically connects to federal tax changes, H.R. 1 slashes state revenues and includes devastating cuts to the Oregon Health Plan and SNAP. **Over the next decade, the impacts will be more than a $15 billion reduction in federal funding and reduced state revenue** due to our tax connection. With these cuts to core services, Congress bought special tax breaks for the wealthiest people and biggest corporations that do little to help Oregon's economy and will hurt Oregonians. Closing those loopholes means we can protect the things we all rely on.

CONTINUED INACTION WILL HARM OREGONIANS

The result: **Oregon is projected to lose over $1 billion in the current (2025-27) budget alone.** That's equivalent to wiping out the entire state's early education budget.

- **The richest 1% of Oregonians are expected to get a more than $42k tax cut,** while the lowest-earning 20% of Oregonians are expected to get a tax cut of $70 from HR 1.
- Rural residents, older Oregonians, people with disabilities, and refugees are just some of the people in our community most likely to be hurt by the cuts to the Oregon Health Plan. An estimated **236,000 to 363,000 Oregonians are at risk of losing coverage** over the next decade.
- Losing $435 million in SNAP payments over the next two years will harm Oregon's economy and put rural food banks at risk. **340,000 Oregonians will lose or see reduced benefits.**

These aren't the only attacks on working families coming out of the Trump administration. Tariffs are already hurting the Oregon economy and Oregon households, especially low-income workers. The annual price tag could reach $5,000 per household. Furthermore, the expiration of premium tax credits could leave tens of thousands of Oregonians paying about **$1,500 to $5,500 more per year**, making health coverage unaffordable for many.

Legislators must do everything possible to protect services and Oregonians from the harm of these federal actions. **Protect Oregon now.**

PROTECT OREGON NOW!

THE LEGISLATURE MUST TAKE ACTION

PROTECT OREGON NOW! COALITION SOLUTIONS

Oregon can protect schools, healthcare, and other essential services by stopping costly tax giveaways to corporations and the rich through the following:

PREVENT GENEROUS NEW TAX BREAKS FOR CORPORATE INVESTMENTS ACROSS THE COUNTRY

- Disconnect from the suite of depreciation-related business tax breaks: Bonus depreciation ($214m), Section 179 expensing ($22m), Qualified Production Property ($68m), and Research & Experimentation expensing ($81m) that reduce Oregon revenue, even if the investment is outside of Oregon

MAKE CORPORATIONS THAT HIDE PROFITS OVERSEAS PAY WHAT THEY OWE

- Disconnect from Foreign-Derived Deduction Eligible Income (FDDEI), formerly FDII, deduction ($55m)
- Increase Net CFC Tested Income (NCTI), formerly GILTI, inclusion from 20% to 50% ($121m)

END OREGON'S TAX BREAK FOR WEALTHY BUSINESS OWNERS

- Eliminate ($145m) or deeply reduce ($20m-$45m) Oregon's reduced tax rates for certain pass-through business owners.**

STOP FEDERAL TAX BREAKS FOR WEALTHY INVESTORS

- Disconnect from Opportunity Zone capital gains tax breaks ($12m*)
- Disconnect from Qualified Small Business Stock (QSBS) exclusion ($39m*)

END OTHER TAX BREAKS THAT ARE POORLY DESIGNED OR REGRESSIVE

- Keep the State and Local Tax (SALT) deduction capped at $10,000 ($35m)
- Disconnect from the auto loan interest deduction ($16m)
- Disconnect from the mortgage interest deduction for vacation homes ($9m)

Oregonians and the organizations they trust are joining together to ask the legislature to take action. Any one of these items is one step forward to help preserve access to critical services that Oregonians rely on.

* Indicates estimate based on the Tax Expenditure Report, not from Legislative Revenue Office (LRO). All other estimates are fromLRO for the 2026 Tax Year.

** This policy is not part of disconnecting from federal tax code. This is an Oregon-specific policy.