

from the office

of

Senate Republican Leader

Ted Ferrioli

FOR IMMEDIATE RELEASE Feb. 27, 2017 Jonathan Lockwood Communications Director 971-645-2140 Jonathan.Lockwood@OregonLegislature.gov

<u>Ferrioli working to spur growth and opportunity on</u> <u>reservations</u>

SALEM, Ore.-Senate Republican Leader Ted Ferrioli, of John Day, is working to provide relief for businesses that operate on reservations that he says face compounded challenges because of state and tribal taxes.

The state's reservation enterprise zone tax credit was originally established to meet these challenges and provide more certainty, a key to economic growth. His proposal, <u>Senate Bill 145</u>, carries forward a policy adopted by the Legislature in 2001, which encouraged economic growth and job creation in the state's most impoverished communities.

Ferrioli said:

"We must do more for the vulnerable communities in our state. Rural areas, and especially reservations have unique challenges that impede growth and opportunity. This proposal is absolutely necessary to create jobs and assure businesses that they will not have to shoulder a noncompetitive tax burden simply by locating or operating on a reservation." The bill was referred to the Joint Tax Credit Committee this morning and awaits approval by the full committee.

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Background

Each of Oregon's nine federally recognized Indian Tribes can have a single "reservation enterprise zone" designated to encompass up to 12 square miles of its tribal lands.

Alternatively, a tribe can enter into a special intergovernmental agreement with a city, port, or county government to directly create and co-sponsor any number of contiguous "Reservation Partnership Zones" anywhere in Oregon.

Under the proposal the tax credit can be applied to either:

(1) The amount of tribal property tax on any new business facility; or

(2) For businesses that have not previously conducted business in an Enterprise Zone, the amount of the tribal income or corporate excise tax levied against the business.

This tax credit does not impact local government revenues nor does it significant effect state revenues.

To read the measure's revenue impact click <u>here</u> and for the measure's fiscal impact click <u>here</u>.

To learn more about SB 145, including measure history and more, click <u>here</u>.

For media requests please contact Communications Director Jonathan Lockwood at 971-645-2140, or Jonathan.Lockwood@OregonLegislature.gov.