

FACTS ABOUT MEASURE 118: The Costly Tax on Sales

A group of out-of-state activists is promoting a drastic \$6.8 Billion tax measure on Oregon's November 2024 statewide ballot. If approved by voters, **Measure 118 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.

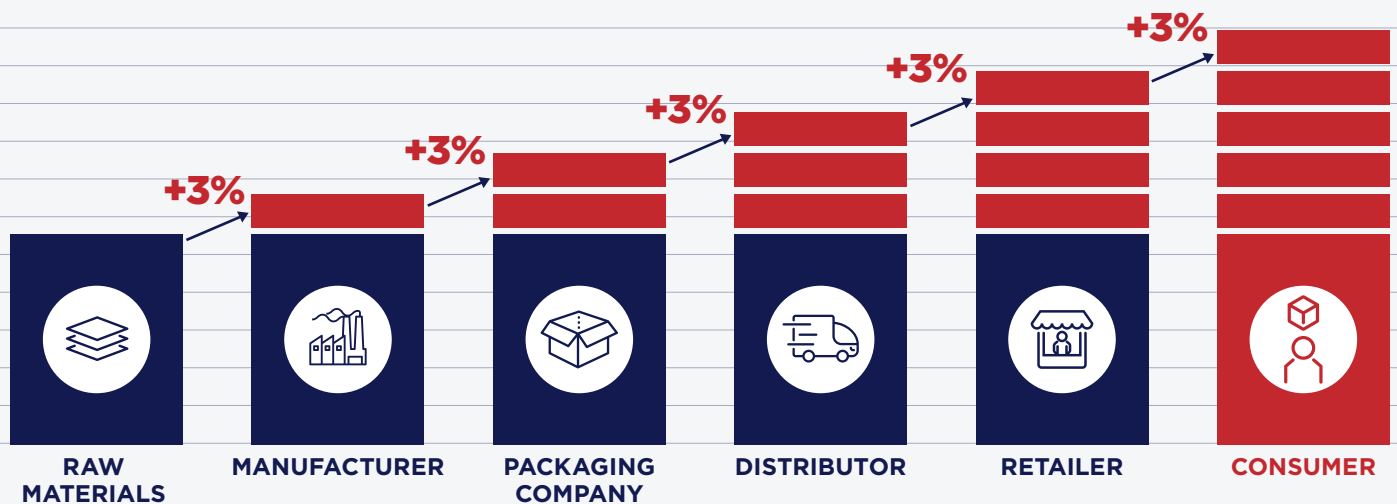
HERE'S WHY MEASURE 118 WOULD BE BAD FOR ALL OREGONIANS:

MEASURE 118 WOULD IMPLEMENT A MASSIVE TAX ON SALES

Measure 118 is a gross receipts tax on businesses with more than \$25 million in annual Oregon sales. In other words, it's a tax on *sales* - not profits or income. That means businesses in Oregon would be forced to pay this new \$6.8 Billion tax on the goods and services they provide, regardless of whether they make a large profit, make a small profit, or are losing money. Measure 118 would force hundreds of local businesses to raise their prices, cut jobs, or shut down completely.

MEASURE 118 WOULD IMPOSE A "TAX ON A TAX"

Measure 118 would add a costly new 3% tax on sales that could apply at every step of the supply chain in Oregon. 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.



Measure 118's drastic "tax on a tax" would make Oregon products more expensive, make Oregon companies less competitive, and increase prices on Oregon consumers.



MEASURE 118 WOULD MAKE LOCAL OREGON BUSINESSES LESS COMPETITIVE

Taxes on Oregon businesses have increased 43% in just the last five years, and Oregon's corporate tax rate is the second highest in the country. Measure 118 would make local Oregon businesses less competitive with out-of-state companies, drive more jobs and revenue out of the state, and hurt our local economies.

Sources: Ernst & Young report on Oregon State and Local Tax Burdens; Tax Foundation's 2024 State Business Tax Climate Index

MEASURE 118 WOULD MEAN HIGHER CONSUMER PRICES - AT THE WORST POSSIBLE TIME

By implementing the largest tax increase in Oregon history, Measure 118 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.

Measure 118 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. Measure 118 would increase costs even further.

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

MEASURE 118 WOULD GIVE A BLANK CHECK TO SALEM POLITICIANS

Despite what its promoters claim, Measure 118 does not guarantee that revenues from its massive new tax will end up in the pockets of Oregonians. If Measure 118 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 BROAD COALITION URGING NO ON MEASURE 118

We are a coalition of Oregon businesses, non-profits, unions, consumers, taxpayers, elected officials, and community leaders from across the state coming together to oppose Measure 118. Join us: Your support is vital to help ensure we can defeat this costly tax on sales.

FOR MORE INFORMATION, PLEASE VISIT:

NOonMeasure118.com



info@NOonMeasure118.com