



**SB 93: Relating to Oregon tax subtraction for interest received by financial institutions from loans made for the purchase or improvement of agricultural real estate, rural residences and coastal fishing boats**

Senate Committee on Finance and Revenue | Richard Swift | 3/17/2025

Good morning Chair Meek, Vice Chair McClane and Committee Members, my name is Richard Swift, I am testifying on behalf of Tax Fairness Oregon, a network of volunteers who advocate for a rational and equitable tax code. TFO's members have a range of experiences with the tax code over decades as professionals and volunteers. I spent my career in Oregon in local government focusing on health care, human services and low income housing preservation and development.

During my career in housing development I had the occasion to work with financial entities regarding the assessment of risk related to underwriting loans and interest rate setting. Lending institutions were willing to underwrite and make loans for business plans and entities that they deemed to be a good risk. They were not predisposed to taking on risky or speculative businesses.

Lenders will make loans based on their assessment of risk. There is no data that shows that providing a CAT tax break for lending institutions in the amount of interest received from loans made to or for rural farms, houses or boats will drive the creation of more loans. In addition, it is bad policy to chip away at the corporate activity tax. The financial sector has seen record profits. There is no need to provide tax breaks for this sector of the economy. Tax Fairness Oregon opposes SB 93.