

Tax break for small businesses passed in special session

by Tom James
Associated Press

SALEM, Ore. (AP) — Lawmakers on Monday passed a tax break aimed at small businesses in Oregon during a one-day special legislative session convened by Gov. Kate Brown.

The Democrat and legislative leaders in the majority party emphasized keeping the session focused only on passing the new break, which targets small businesses known as sole proprietorships, and limiting it to a single day. The tax plan passed 51-8 in the House and 18-12 in the Senate. Both votes included Democrats who broke from their party to vote against the measure.

Republicans objected to the scope of the plan as early numbers showed it benefiting established businesses more than struggling entrepreneurs. The plan specifically blocks more than 100,000 of the smallest businesses in the state from benefiting, or about 90 percent of sole proprietorships.

The move is the latest reverberation from President Donald Trump's 2017 federal tax overhaul. Democratic legislators blocked part of that plan after finding it would benefit some Oregon businesses twice - and cost the state \$217 million in its first two years. But Republican legislators balked, and when Brown OK'd the block she promised to call the special session to create another, separate break for small businesses.

House Republican Minority Leader Mike McLane said Monday the process

was forced through by the majority party. "This is the governor's bill - any attempt to by the Republicans to shape it or modify its language were rejected by the Democrats," McLane said. McLane said his main request in negotiations had been to broaden who qualified for the bill, but that it had been denied.

House Speaker Tina Kotek, a Democrat, said legislators from her party had negotiated in good faith.

Passing the plan in a single day represented a success for Democrats, especially Brown, who first declared the ambitious timeline. Normal legislative rules require a days-long process of passing bills back-and-forth between committees.

Voting to suspend the rules required Republican cooperation: McLane said that despite objections, his caucus had agreed that holding up the process would only delay the inevitable, since Democrats control the Legislature.

The controversy surrounding the plan traces back to the Trump overhaul, which created a flat 20 percent deduction for pass-through income — business income claimed as personal income by a business owner. The Trump deduction affects only federal taxes, but because Oregon's personal income taxes are calculated using numbers from Oregonians' federal tax returns, the deduction was set to benefit some business owners twice: once on their federal taxes, and once when it reduced their state bill.

The first Democratic plan, passed earlier this year as Senate Bill 1528,

allowed people to keep the federal deduction, but required it to be added back before calculating state taxes.

The new plan, called HB 4301, targets business owners who would have been eligible for the Trump deduction, but by expanding a state deduction instead - with a much smaller price tag.

"Republicans and Democrats in both houses support fairness for small businesses in Oregon," Brown said. "We were pleased to be able to get this done in one day."

Current state law gives a tax break on pass-through incomes to some types of businesses, but not sole proprietorships, which are often the smallest independent businesses, and include many independent contractors: The new Democratic plan expands that to include sole proprietorships.

The plan has a key limit: only businesses with at least one employee qualify, eliminating single-person operations.

About 12,000 businesses appear to be eligible, at an initial cost to the state of around \$12 million per year, according to documents from legislative economists.

But the single-employee limit disqualifies about 90 percent of sole proprietorships, or just over 100,000 single-person businesses, said Chris Allanach, head of the nonpartisan legislative revenue office.

Early numbers also showed more than 40 percent of the benefit flowing to business owners already making more than \$500,000 per year.

"Those sole proprietors who are just trying to get off the ground... get the least amount of benefit," said Rep. Greg Smith, a Republican, during the bill's first hearing of the day.

Sen. Mark Hass, a Democrat who voted against the bill, said that broadening the break without study was hasty.

Brown defended the one-employee minimum at a press conference after the votes, saying it put sole proprietors under the same requirements as other types of businesses.

She also said she supported capping the benefits available to high-earning business owners under the plan, but later acknowledged she had not included such a cap in her original proposal.

Healthy U:

by Nicole Rensenbrink

Our bodies need a variety of nutrients to remain healthy. Micronutrients, which are vitamins and minerals, are those we need in small amounts. Macronutrients, which include carbohydrates, proteins, fats and water, are the ones we need most.

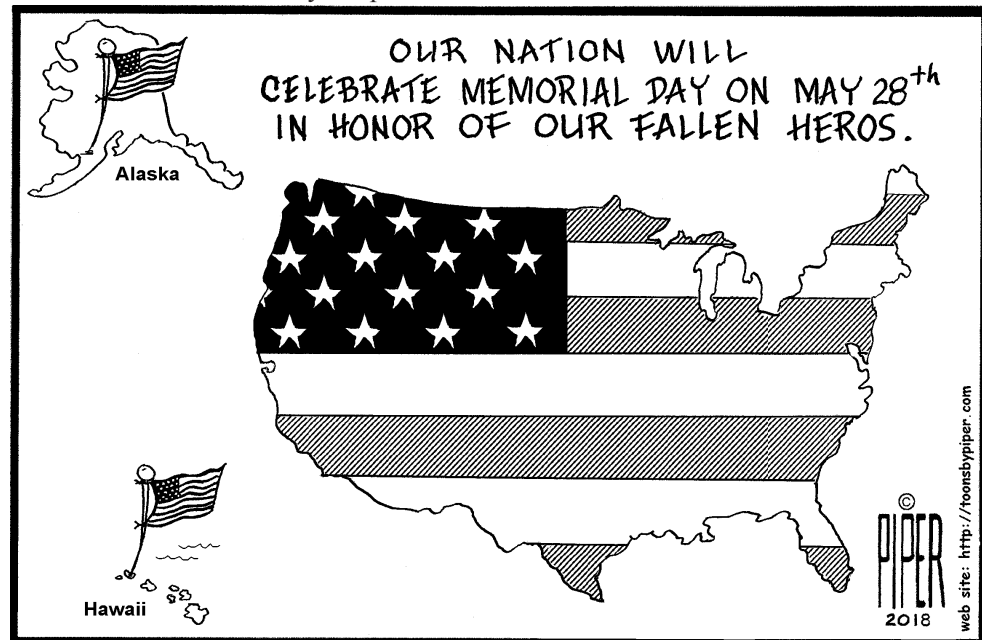
The main function of carbohydrates is to provide energy. Simple carbohydrates, or sugars, often have names that end in "ose" (such as glucose or fructose). They taste sweet and occur naturally in foods such as fruit, berries and milk. Carbohydrates are also found in sugar, honey, maple syrup and molasses. Simple carbohydrates are small molecules, absorb easily into the bloodstream, and quickly raise blood sugar levels.

Complex carbohydrates, or starches, are larger molecules that are absorbed more slowly. That keeps blood sugar levels more stable. Sources of complex carbohydrates include grains (bread, cereal, rice, pasta, oats), vegetables (squash, peppers, etc.) and legumes (such as peas and beans).

Proteins build and repair muscles, skin, and other tissues. They are a component of hormones and enzymes. Proteins also help build the cells of the immune system. The basic units of proteins are amino acids, which connect in multiple combinations to create thousands of different proteins. There are 22 amino acids. Thirteen of these we produce in our own bodies and the other nine are "essential," which means that we can only get them from the foods we eat. Common sources of protein are seafood, lean meat and poultry, eggs, beans and peas, soy products, dairy products, nuts and seeds. Some protein is found in plant sources as well.

Fat stores energy, insulates the body and its organs, is a component of hormones and other important substances, and provides essential fatty acids. It also transports vitamins A, D, E and K throughout the body. Foods that contain a high proportion of saturated fats, such as butter or lard, are solid at room temperature and usually come from animals. Foods that contain a high proportion of unsaturated fats, like vegetable oil and fish oil, are usually liquid at room temperature. However, some vegetable oils, such as palm or coconut oil, are relatively high in saturated fats and solid at room temperature.

Water fills the spaces in and between cells and helps form structures of large molecules such as protein. Some say that water is the most important nutrient, because it is involved in every bodily function and makes up 70-75 percent of our bodies' total weight. Water helps maintain temperatures, helps with digestion, metabolizes fat, lubricates and cushions organs, transports nutrients, and flushes out toxins.



ILLINOIS VALLEY FUNERAL DIRECTORS

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Save the date

May 24

The Butterfly Pavilion at Rusk Nature Center will open Memorial Weekend, 10 a.m. - 4 p.m. New interactive exhibits and additions to the children's natural playground, bring a picnic lunch and enjoy! Hours: Tues. - Sun. 10 a.m. - 4 p.m.

May 26

I.V. Safe House Alliance Yard Sale: May 26 from 8 a.m. - 2 p.m. The Alliance is having a yard sale to raise funds to provide services for survivors in our community. We gladly accept donations of saleable items. Plenty of parking! Sale will be in the lot behind our building (next to DMV). 103 South Kerby Ave, Cave Junction. Call or email for more information - Phone 541-592-5332, email alliance@ivsha.org

June 2

*Rotary Club of I.V. Clean Up CJ, Saturday, June 2 from 8:45 a.m. - 11 a.m. meet at the I.V. Family Coalition, 535 E. River St., CJ

*Saturday, June 2, 2018: I.V. Senior Center is holding its Annual Flea Market! 8 a.m. to 4 p.m. For only \$10 you get a 20' x 20' space to sell those old treasures you've had hidden away. Come by to sign up at 520 E. River Street or call Rich at 541-592-6888.

We are also having our Country Breakfast so we should have a great crowd. Lunch will also be sold starting at noon and we'll have a bake sale. Good time for all!

June 7

IVHS Class of 2018 Graduation 7 p.m. on the football field weather permitting.

June 9

Hathkapasuta-Illinois River Celebration June 9, 10 a.m. - 6 p.m. at Illinois River Forks State Park, ½ mile south of Cave Junction, Free Event and Parking, Hands-on History and Nature Exhibits, Live Music, Food Vendors, Dragon Jolly Jumper Course, Arts & Crafts, Parade of Puppets at 2 p.m.. Brought to you by CEEN and IVCDO. For more information call 541-291-8860.

June 23

IVHS Family Fun Festival & Chili cook-off Hosted by: IVHS girls' basketball, Saturday, June 23. The cost of each entry is \$15. There are prizes for first and second place winners. There will be a prize for the most creative chili. The cost to taste is \$5. The fun festival begins at noon at IVHS with the cook off to follow at 2 p.m. Tickets for the games/activities are \$1 per ticket. Each activity will require a minimum of 1 ticket. We will have face painting, ring toss, basketball shooting,

dunk tank and much more.

June 24

Rusk Nature Center invites all residents to visit the Butterfly Pavilion, children's playground and picnic area for FREE today, 10 a.m. - 4 p.m.

Continuing

*Evergreen Elementary school is looking for SMART (Start Making A Reader Today) volunteers. The program will run Tuesdays through Thursdays and volunteers are asked to come to Evergreen around 11:30 a.m. and will be out at 12:45 p.m. To learn more about the SMART program you can call 541-734-5628 or visit the website at www.getSMART-oregon.org.

*The I.V. Senior Thrift Store: Join the crew and make new friends. You don't need to be a senior citizen to volunteer at the store. Call us at 541-592-6630. Open Monday - Saturday, 10 a.m. - 4 p.m.

*Illinois Valley Democrats meet the 2nd Saturday of every month from 10 a.m. to 12 p.m. at the I.V. Family Coalition, 535 E. River St. in Cave Junction. Join with like-minded people for camaraderie and to plan actions in support of the Democratic agenda. Call Anita 541-592-3073 to confirm meeting days. Check us out on FB!

*Public Health Clinic- Location: I.V. Family Coalition, 535 E. River St., CJ, 1st Thursday of every month. Services offered STI Testing/Treatment, Women's Health Exams (Annuals/Problem Visits), Birth Control (All Methods Available), Pregnancy Testing, Pre-pregnancy counseling. 3rd Thursday of every month: STI testing/treatment, birth control counseling (methods limited), Pregnancy Testing, Immunizations. Call 541-474-5329 for an appointment, and make sure to tell the receptionist to schedule you in CJ. Walk-ins welcome! Hours: 8:30 a.m. - 3:30 p.m.

*The Sheriff's Office Substation in Cave Junction is now open on Mondays, Tuesdays and Thursdays 10 to 2. Volunteers are still needed to staff additional days. Applications are available at the substation or online at <http://www.co.josephine.or.us/Files/Volunteer>. For information call 541-474-5123.

*Cave Junction Patrol, LLC is looking for volunteers. CJ Patrol is a private citizen volunteer organization dedicated to effectively addressing heretofore-unchecked property crime in our city and neighborhoods. The primary mission of CJ Patrol is to prevent, interrupt, report and decrease property crime in the city of Cave Junction. Call 541-592-9665 or visit cjp patrol.org.

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