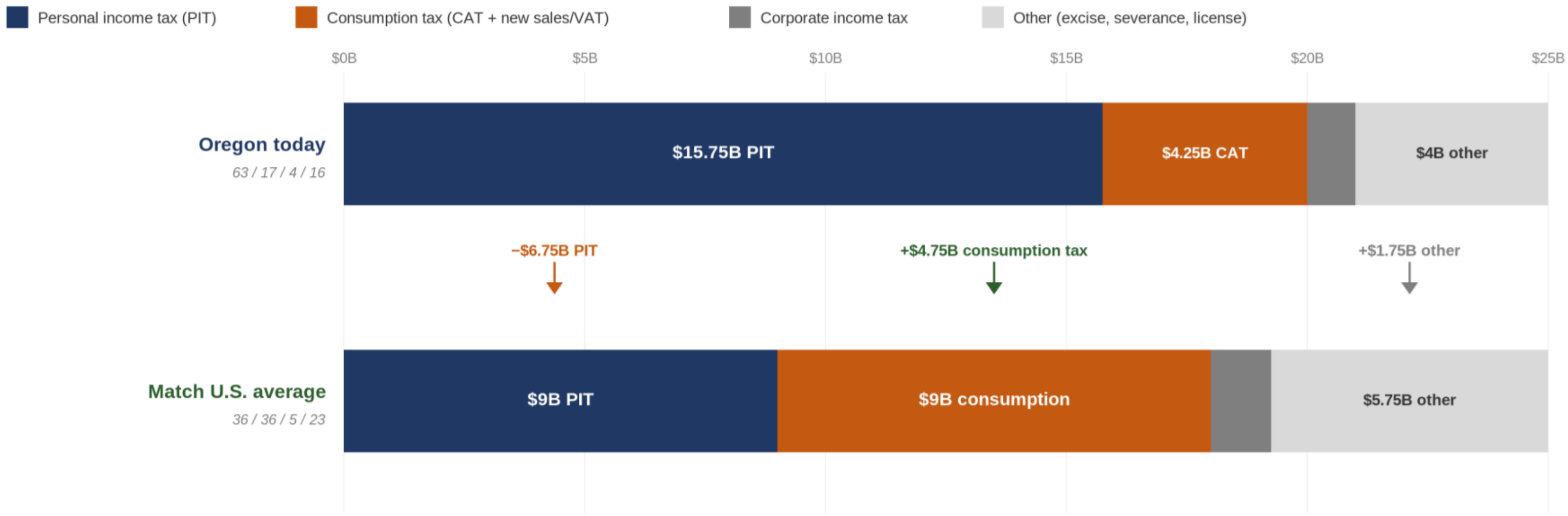
How expanding the CAT to a consumption tax could rebalance revenue mix



What expansion is needed

Oregon today

Consumption tax revenue:

$4.25B / year

Current CAT only (0.57% on activity > $1M, with the 35% subtraction)

Implied CAT-equivalent rate on consumption:

~0.4% effective

Match U.S. average (36% of revenue from consumption)

Consumption tax revenue:

$9.0B / year

Requires expanding CAT and/or adding a new VAT or sales tax — about +$4.75B

Implied broad-base VAT rate on consumption:

~3.0% on $300B consumption base