



BIKE LOUD PDX

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BikeLoudPDX strongly opposes the 3% sales tax on new bicycle sales as part of the 2017 transportation package. This tax unfairly penalizes those whose transportation mode of choice actually saves the state money by taking cars off the road and by causing practically negligible wear and tear on our roadways. This tax will also unfairly target local bike shops who already struggle with extremely narrow profit margins on new bicycle sales.¹ These small businesses are the lifeblood of Portland — they contribute to our local economy and keep money in Oregon. This tax will prompt more people to choose big-box stores to purchase bicycles, thus sending money out of state and into the hands of big corporations like Wal-Mart and Target. Additionally, many low-income individuals who cannot afford an automobile rely on cycling to get around, and this tax would unfairly target them, even with the \$500 tax-free cap. A sturdy, reliable commuting bike costs more than \$500, but for many families and individuals it is still a financially sound investment, particularly when compared with the cost of purchasing and maintaining a motor vehicle. Would you consider a \$500 car a “luxury” purchase?

The notion that we are placing what amounts to a “sin tax” on bicycles is absurd, considering that unlike other sin tax items like alcohol and tobacco, bicycling actually saves society money² by improving public health, reducing maintenance costs on our roadways, boosting local businesses, and helping to protect against climate change and urban sprawl. Meanwhile, HB2017 proposes that we spend \$1.1 billion on highway widening that will *exacerbate* those same problems that bicycles help alleviate. The negative impacts of Induced demand as a result of highway widening on congestion and driving rates is undeniable,³ so why are we funding projects that will encourage people to choose driving over other greener modes? Rather than taxing the transportation modes that benefit society, we should be further taxing private automobiles, as they continue to be the transportation mode that most negatively impacts our air quality and road safety. Rather than making driving easier by widening highways, we should spend that money on building safe and comfortable cycling infrastructure and completing walking networks.

¹ <https://bikeportland.org/2017/05/15/bike-shop-owners-oppose-bike-tax-push-for-alternatives-228720>

² <http://www.vtpi.org/nmt-tdm.pdf>

³ http://www.dot.ca.gov/research/researchreports/reports/2015/10-12-2015-NCST_Brief_InducedTravel_CS6_v3.pdf

A much more palatable alternative to the bike tax would be taxing studded tires. Unlike bicycles, studded tires cause massive damage to our roads every year, and this tax would discourage their use while saving the state up to \$8.5 million a year in maintenance costs.⁴ Some more ideas for taxes that would more accurately reflect usage and damage inflicted on our roads than a new bike sales tax: a weight-mile tax on all road users, or a weight-per-tire tax. These taxes could be applied to both motorized vehicles and bicycles, and would properly tax those who drive or ride a lot, or with heavy loads, and cause the most maintenance costs to our roadways

Oregonians have vehemently rejected sales taxes time and time again. Targeting eco-friendly and cost-saving bicycles with a new sales tax is a massive mistake. BikeLoudPDX urges our state legislators to reject this unfair, inequitable, and backwards tax.

Thank you.

Sincerely,

Emily Guise
Ted Beuhler
Jessica Engelman
Co-Chairs, BikeLoudPDX

⁴ http://www.oregonlive.com/commuting/index.ssf/2016/03/deadline_looms_to_swap_out_roa.html