

RESOLUTION NO. 523-R

A RESOLUTION REQUESTING EXEMPTION OF RAW MATERIALS CONSUMED IN THE MANUFACTURING PROCESS IN EVENT OF SALES TAX AMENDMENT

WHEREAS, the 1983 Oregon Legislature has adopted a property tax relief program consisting, among other things, of a sales tax referral, according to legislative directive, upon approval of such referral by various units of local government, including incorporated cities; and,

WHEREAS, in reviewing said legislative tax relief program, and particularly the proposed sales tax, the Common Council of the City of Troutdale does note that the listed exemptions from such tax do not include raw materials specifically consumed in the manufacturing process; and,

WHEREAS, the failure to include such raw materials in the sales tax exemption category could have a decided adverse effect upon manufacturing industries which consume substantial raw materials in their manufacturing process, which includes the Reynolds Metal Co., a substantial East County employer; and,

WHEREAS, this Common Council is concerned that the failure to include such exemption of raw materials will limit the economic recovery so needed in East Multnomah County and Troutdale, which in turn, will limit the number of jobs available to Troutdale and East County residents; and,

WHEREAS, this Council is of the opinion that an exemption of raw materials consumed in the manufacturing process should be a constituent part of a workable sales tax program, if adopted, within the State of Oregon as a whole, and that such exemption would contribute to the well-being and economic development of this State in such event,

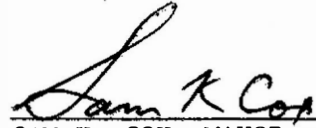
NOW, THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF TROUTDALE, AS FOLLOWS:

1. That the Troutdale Common Council in approving referral of the sales tax portion of the 1983 Legislative property tax relief program to the voters, does here note that such proposed sales tax does not contain provisions for an exemption of raw materials consumed in the manufacturing process, and that as such, those industries that consume considerable raw materials in their manufacturing process may be compromised and made less competitive as a result of such failure, which in turn, would affect the ability of such industries to maintain an economically viable position in a competitive economy.

2. That the Troutdale Common Council does specifically request the Oregon Legislature, and particularly those legislators representative of the Troutdale and East Multnomah County areas, to give thorough consideration and effort to provide in any sales tax program, an exemption category for raw materials specifically consumed in the manufacturing process.

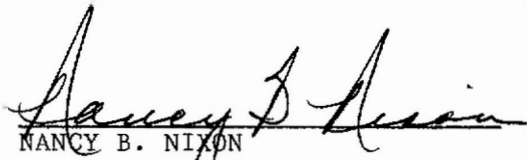
PASSED BY THE COMMON COUNCIL OF THE CITY OF TROUTDALE THIS 13th
DAY OF DECEMBER, 1983.

YEAS: 6
NAYS: 0



SAM K. COX, MAYOR
DATE SIGNED: 12-14-83

ATTEST:



NANCY B. NIXON
FINANCE DIRECTOR/CITY RECORDER