



## STATE OF OREGON

## INTEROFFICE MEMO

TO: The Honorable Victor Atiyeh, Governor                      DATE: July 9, 1984

FROM: John C. Anderson, Director                                      JCA  
Economic Development Department

SUBJECT: Timing of Unitary Tax Modification

cc: Gerry Thompson, Executive Assistant to Governor Atiyeh  
Denny Miles, Press Secretary to Governor Atiyeh  
Betty Maudlin, Assistant to the Governor, Internal Affairs  
Jim Sellers, Researcher/Writer

Other than using phrases such as "as soon as practical," I have not publicly revealed my personal views regarding the timing of proposed legislative action to modify Oregon's current unitary apportionment technique.

I do, however, want to share my opinion privately to you and several of your key staff members. I'm motivated by some of the recent public comments by several Legislators stating that they saw no pressing need to take action.

In my opinion, the situation is indeed time perishable, and if of necessity, legislative action were to be deferred until the first or second quarters of 1985, Oregon will forfeit the opportunity to compete for a large majority of the 175 job-generating plant investment projects currently being considered by major Japanese corporations as reported by the Kiedanren based on their survey of members.

We know that the market is very active right now. In my opinion, there is an unprecedented level of movement. It will not last -- it represents pent-up demand, that once satisfied, will substantially fall off.

I believe we are ineligible right now for most of the 175 competitions, and in 6-12 months, most of these will have been completed. Further, because this "current market" represents pent-up demand, the following future market we will compete in beginning in 1985 will be much smaller.

JCA:eb