

Today, 40+ local businesses in Whatcom County [sent a joint letter to the Washington State Legislature](#) expressing their concerns regarding the proposed state income tax, SB 6346. The letter urges the Legislature to reject the income tax in order to avoid negative impacts on Washington's economy.

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*To the Honorable Members of the Washington State Legislature,*

*We write to you today as a group of local businesses in Whatcom County committed to strengthening our local economy through job creation, investment, and innovation. As you consider SB 6346, the proposal to create a state income tax on income above \$1 million, we felt it was important to share our concerns about how this policy could affect employers in our community and threaten the vitality of our economy.*

*While presented as a "millionaires' tax," many businesses in Washington operate as S-corporations, partnerships, or LLCs, meaning business income passes directly through to the owner's personal tax return. As a result, SB 6346 would impose a new 9.9% tax on business earnings, even when those funds are reinvested into growth, equipment, or employee wages rather than taken as personal profit.*

*In Whatcom County, where industries such as construction, agriculture, manufacturing, retail, hospitality, and maritime businesses often operate on narrow margins, this additional tax burden, among the highest tax rates in the nation, could force businesses to cut jobs, reduce hours, or delay expansions. S-corps and LLCs, which represent over 85% of small businesses in our state, would be particularly affected, as the \$1 million threshold may not fully reflect the realities of business cash flow and reinvestment needs.*

*This tax risks driving our local businesses to more competitive states, exacerbating talent shortages and stagnating economic growth in our region. Instead of supporting entrepreneurship, SB 6346 would discourage innovation and deter new ventures, ultimately affecting the workers and families who depend on these jobs. We respectfully urge you to consider the potential impacts on local businesses and the communities that rely on them. We ask that you oppose this bill and prioritize policies that allow our local businesses to thrive.*

*Thank you for your service to our state and for considering the perspective of employers in Whatcom County.*

*Sincerely,*

***Whatcom County Businesses***

*Advocations Community and Employment Services*

*AGC of Washington*

*AMBK, LLC*

*AMS Print*

*Amy and Charly Myers*

*Axiom Construction*

*Bellingham Truck Wash, LLC*

*Bert Matter, Inc.*

*Birch Equipment Company*

*Dominion Fisheries*

*Enfield Farms*

*Epic Freight Lines, Inc.*

*Fat Grass Beef Co.*

*Haskell Corporation*

*Herb Nieman's Steak House*

*Honcoop Gravel, Inc.*

*Imco General Construction*

*Innotech Metal Designs*

*Innotech Process Equipment*

*Iron Creek Group*

*Lenssen Dairy, LLC*

*Limestone Ranch*

*Lineage, Inc.*

*Lynden Tech*

*Mills Electric Co.*

*Neeter House of Luxury*

*North 40 Equine Solutions*

*Northwest Insurance Solutions*

*Northwestern Health Care Linen*

*Ocean Swell Fisheries, LLC*  
*Pacific Plumbing and Electric*  
*Pacific Solutions Inc.*  
*Rader Farms*  
*Richner Trucking*  
*Rob Graham Trucking*  
*Skeers Construction*  
*Stremler Gravel*  
*T-Squared Construction, LLC*  
*Target Market Enterprises (Little Caesars)*  
*Tradewinds Capital Management*  
*VanCorbach Enterprises LLC*  
*Washboy Pressure Washing, Inc.*  
*Whatcom Business Alliance*  
*Wiersma Enterprises*  
*WRS Construction*