

Testimony in Opposition to HB 2379, and other similar Bills

Best to keep this short. Please do not pass these bills.

Fire Suppression Costs: The sharing of large-fire suppression costs by forest landowners and the public should be maintained. Fires caused by humans are a shared responsibility of the public activities in our forests and forest landowner activities.

Tax on value of timber: Forest landowners pay property taxes on the productive capacity of land based on uses allowed under land use laws, and income taxes based on the value of sold timber.

It is not right nor fair to additionally tax the value of the timber a second time via a severance tax. The only way this is fair is if we also tax the value of other natural, planted items, like potatoes, wheat, apples, watermelons, filberts and nursery crops. Our stands are in planted forests, and other planted items are not taxed a second time when they are harvested and sold.

The biggest unintended consequence if these Bills were to pass is the discouragement of forest landowners to hold onto forest land for the 50 to 60 years until we have a chance to contribute wood products to our society. The pressure for conversion of forest land to non-forest uses will become much stronger. Do we really need more mini-malls and housing projects built permanently on forest land?

In our family past, taxes on timber prompted the sale of large tracts of mature timber. I would hate to go down that road again. In trying to keep our forest lands in the family and productive enough so family members want to keep them, our harvest plan is very delicately balanced, and a 5% tax on the "pond" value would definitely upset our commitment to long-term forest management. If we harvest 1,000 MBF per year, that is \$40,000 in new tax. That is HUGE! And the more we grow, the longer we wait to harvest, the more we would pay in taxes! What an incentive to shorten our rotations, fail to invest in good management or sell out!

This Bill and its -5 amendment determines the tax based on 5% of the "pond" value?? We as landowners do not get the "pond" value. We must pay loggers, truckers, foresters and contractors to plan, harvest and deliver the logs to the "pond" at a mill. To say nothing of the costs we have incurred over a 50-60 year rotation to maintain the timber. These costs vary due to terrain, markets, and other factors, but I can say these costs are all going up.

Sara Leiman
4 generations of Oregon forestland ownership
Monroe, Oregon