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To: House Committee on Revenue; [others]

Re: I SUPPORT [HB 2434]...Are there EFU Zoned lands in "non-compliance?" There is a lot of uncollected money here.

**First and foremost...Good Job Representative Nathanson for all of your efforts with [HB 2434]!**

**Below is Text of my Testimony submitted for [HB 5033 (2019) session].**

["... I request the Department of Revenue be funded well enough, to take on a daunting financial task of monitoring Counties Exclusive Farm Use Zoning, to recoup monies owed to the State of Oregon from farmers and or owners of EFU lands who are receiving a "tax break" on their lands but are not producing the required revenue of farm products.

In Yamhill County our Assessor has commenced mailing questionnaires to owners of EFU Zoned lands requesting an "update" on EFU farm activity and required revenue generation for the purpose of justifying EFU tax status.

**Two such properties to be reviewed are [Tax Lot 3215-301] and [Tax Lot 3215-500].**

It is my opinion, Yamhill County represents a problem for the Department of Revenue for several EFU lands should be paying more in taxes because their lands are left fallow and or do not have adequate land to generate the required revenue for EFU Zoned status.

**The County Assessor may not have the necessary resources to conduct on-going audits of the EFU farmlands in Yamhill County and therefore requires additional permanent funding to collect revenue owed to Oregon.**

Whereas, Yamhill County is requiring the Internal Revenue Service Schedule F to be included with the questionnaire, I am not certain farmers and or land owners of EFU Zoned lands responses to the aforementioned questionnaire is governed by [2017 ORS (161.075)] if not, they should be.

**It is my opinion, the issues raised in Yamhill County can easily be applied to every county in Oregon and the potential uncollected revenue merits serious focus and analysis. Good Job Department of Revenue!"**

\*I still sincerely believe, there are many Exclusive Farm Use Zoned (EFU) lands throughout Oregon which are "not in compliance" with reference with attached obligations to receive the benefits of EFU Tax-deferral.

\*\*If County Assessors are "hampered" by out of date guidelines; to revoke EFU tax-deferral status and return non-complying EFU lands back to the current tax rolls, with penalties if applicable -update the guidelines. After all, that's part of you jobs.

\*Back to Yamhill County... **Two such properties to be reviewed are [Tax Lot 3215-301] and [Tax Lot 3215-500].**

**\*In re: [Tax Lot 3215-301]** The weeds are disced but, nothing has been planted on **many** acres for **many** years. Which raises at least one question; Can owner of idled and fallowed EFU Zoned land, **enjoying tax-deferral for many years**; suddenly sell and or lease land to a developer for residential housing and or other commercial uses?

**\*\*In re: [Tax Lot 3215-500]** is and EFU (20) Zoned Land allegedly (10) acres of Hazel nut trees (which is an extremely hard stretch of one's imagination to believe) and approximately (11.5) acres containing; tennis courts, large swimming pool, Large residential mansion, small residential house, out building and a barn turned into a commercial entity, a roadhouse bar- legally making and selling alcoholic beverages. This "roadhouse bar" had their "Agritourism permit revoked" by both the Land Use Board of Appeals (LUBA) and the Oregon Court of Appeals on the basis the farm did not support the commercial entity.

\*Can a "Farm Stand Owner" sell hazel nuts, bought from a third-party and claim the revenue from the aforementioned purchase, for use on Schedule F *supra*, as consideration to retain EFU Tax-deferral status?

**Respectfully submitted,**

/s/ David S. Wall

Mr. Oregon concurs with review of EFU tax-deferral lands.