

SB 939 Allows additional estate tax exclusion

Chair Meek and Vice-Chair Boquist:

If SB 939 was the only measure on Estate Taxes introduced in the Senate this session, I would be in favor of it. But, as you know, there were 6 other Estate Tax bills introduced more than a month before this bill. I look forward to providing testimony on the other 6 bills, once they are scheduled for a hearing.

It seems to me that there is a conflict in the wording in SB 939 when compared to the Staff Measure Summary.

In Section 2, it reads “In addition to any other amounts allowed under this chapter, an exclusion in the amount of \$300,000 is allowed against the tax due under this chapter”.

Let’s consider the estate of a single person valued at \$4 million. ORS 118 allows an exclusion of \$1 million, so the taxable estate would be \$3 million. Per the tax tables in ORS 118, the estate tax would be \$312,000.

Section 2 of SB 939 provides for an exclusion of \$300,000 against the tax due, meaning the final estate tax due would be \$12,000.

The Staff Measure Summary seems to have a different interpretation of SB 939. The wording of the proposed bill seems clear to me. The estate gets a \$300,000 credit against the estate tax that would have been calculated without this bill.

I have to be realistic. A measure, such as SB 939, that was introduced by a member of the majority party has a greater chance of making its way through the channels when compared to the other measures sponsored by the minority party.

In conclusion, I recommend supporting this bill, while awaiting hearings on the other bills.

Sincerely,

Brad Dennis
Albany