

Submitter: Andrew Kaza
On Behalf Of:
Committee: House Committee On Revenue
Measure, Appointment or Topic: HB2301

To the House Revenue Committee members:

Opponents like to call it a "death tax." But we know the reality. It's essentially a "rich kid's tax" and one of the most progressive taxes around. So why is the legislature even contemplating another run at our Estate Tax? In a time with tens of thousands still homeless in our fair state, and with provisions in our law that already protect farms, forests and fishing folks from the typical thresholds for everybody else, there is little rational argument for changing Oregon's Estate Tax at this time. If you want to study it, go ahead. The alternative House bill 2093 seems reasonable (and simple) enough in its aims. But the proposed revisions to the Estate Tax found in this bill 2301 are simply beyond the pale.

I'm a native Oregonian that is proud of our progressive history and the relative lack of disparity between rich and poor that is found in so many other places in the world and elsewhere in the US. Our disdain and refusal to enact a general sales tax is a big reason for this, historically. But the Estate Tax matters too. Throughout my lifetime, Oregon's tax burden has typically placed it in the middle of any ranking of US states, even with the Estate Tax factored in.

Personally, as a small business owner with six kids, I could easily take issue with our Estate Tax from the standpoint of self-interest. But you know what? I've always believed in paying my fair share - and I think my kids should do the same. If and when they were to inherit our business and/or homes, the 10-16% levy owed to the state of Oregon is a relatively small price to pay for getting something HANDED TO THEM through virtually no merit of their own, other than a "birthright lottery."

No, I don't consider myself rich - and I realize too there is a clever argument that says that Oregon should have indexed the \$1 million threshold years ago and now this tax is impacting relatively middle-class folks, blah blah etc. etc. But I don't buy it. Assets of over \$1m still put us in a pretty privileged position today - and 85-90% of that still leaves my kids much better off than 85-90% of all kids in Oregon. And those are the ones who need our help. They are the ones that our legislators should be focused on.

I am urging the members of this committee to forego referral of this bill to the larger House and focus on other important issues at this time, rather than lessening a relatively light burden on the well off. Perhaps focus on better ways to deploy that \$600m biennium "windfall" (as opponents would deem it) such as helping shore up the depleted ODOT budget or helping to fund more efforts to house the homeless,

such as our Safe Parking program here in the City of Redmond.

Plty not the rich, who can avoid this tax for the most part through some careful estate planning and philanthropic endeavours if they so choose.

I don't mind if they go that route, as long as they are giving something back. To paraphrase Crosby, Stills & Nash, we should "teach our children well." Not how to be greedy. Instead, let's make them proud of how their tax dollars get spent.

Respectfully submitted -

Andrew Kaza
Redmond OR
Co-Chair, Independent Party of Oregon