

Submitter: Jeffrey Chapin  
On Behalf Of:  
Committee: House Committee On Revenue  
Measure, Appointment or Topic: HB2301

For 2025, only 12 states and the District of Columbia even have an estate tax whereby when your estate passes from one generation to the next you get double taxed on your families estate. Here is a list of the estate tax exclusions, highest to lowest: Connecticut (\$13,990,000), New York (\$7,160,000), Maine (\$6,800,000), Hawaii (\$5,490,000), Vermont (\$5,000,000), Maryland (\$5,000,000), District of Columbia (\$4,873,200), Illinois (\$4,000,000), Minnesota (\$3,000,000), Washington (\$2,193,000), Massachusetts (\$2,000,000), Rhode Island (\$1,802,431) and Oregon (\$1,000,000). Oregon has the lowest estate tax exclusion in the nation.

For farmers or small businesses who are trying to pass this business onto the next generation this very low estate tax can force families to have to sell equipment, land or both as they cannot afford to pay the tax on the estate. Most small businesses do not have the capital to be able to absorb such a tax at such a low estate tax exclusion value. By raising the estate tax exclusion it would allow many small businesses and farms to be able to pass on their businesses to the next generation without worrying about how to pay the estate tax.

As an example with current economy pricing: if I have a hazelnut farm that is 100 acres and the current price of land with mature hazelnuts on it is about \$25,000 per acre then just my land value is \$2,500,000. If you add a house on this property then that brings it up about \$400,000. The equipment to harvest this land would run about \$200,000 so in order to pass this down to the next generation my children would have to pay tax on an estate worth \$3,100,000 which according to the formula for Oregon would be an estate tax of \$215,500. Most farms are not split into multiple lots so the only options are to take out a loan or sell the land because selling the equipment would mean you can't make a living.

California, Idaho and Montana have no estate tax. Washington is over double our estate tax exclusion. It's time for Oregon to adjust our estate tax exclusion level to a value that does not put our small businesses at risk. Thank you for your time and consideration,  
Jeff Chapin