

## Testimony in Support of HB 3630

Chair Nathanson, Vice-Chairs Reschke and Walters, and Members of the Committee,

For the record, my name is Representative Bobby Levy, and I proudly represent House District 58. I'm writing in strong support of HB 3630, which makes important updates to the Natural Resource Exemption in Oregon's estate tax law.

Our farmers, ranchers, foresters, and fishers spend lifetimes building operations that they hope to pass on to the next generation. Yet, under Oregon's current estate tax structure, many families are forced to sell land or key business assets simply to pay the tax bill that comes with the transfer of property after death. HB 3630 addresses this by expanding and clarifying the Natural Resource Exemption, a provision that recognizes the unique nature of land-based livelihoods and the need for flexibility in how family operations are structured.

Specifically, this bill allows qualified property to be owned through family businesses or trusts, reflecting the reality of how modern operations are managed. It also allows for replacement of qualified property, supports transfers between related entities, and ensures that family members can still meet participation requirements based on relevant business days, not arbitrary full-day counts.

Importantly, the bill removes exempt property from the estate tax apportionment ratio for estates with property both in and out of Oregon. This ensures that the exemption truly provides relief to those using the land for its intended natural resource purpose and prevents double-counting that could unfairly increase the tax burden.

This bill is a necessary modernization of a policy that was meant to preserve Oregon's family farms, ranches, and forests—not force their breakup. I urge your support for HB 3630 so we can ensure our estate tax policy reflects both the economic realities and the values of rural Oregon.

A handwritten signature in black ink that reads "Bobby Levy". The signature is written in a cursive, flowing style with a long horizontal stroke at the end.

Representative Bobby Levy, House District 58