

Submitter: Sume Wongrak
On Behalf Of: overtaxed citizens
Committee: House Committee On Revenue
Measure, Appointment or Topic: HB3489

Historical Overview of Timber Harvest Tax in Oregon (Pre-1990)

Early Years (1856-1948)

- Initial Taxation: The Territorial Legislature declared in 1856 that all lands, including timber lands, were subject to taxation as real estate [1]. Timber land paid local property taxes, but the standing timber was often under-assessed.
- Forest Fee and Yield Tax: Timber and timber land were exempt from property taxes. Instead, owners paid a yearly 5¢ per acre "Forest Fee" and a 12½% of value "Yield Tax" after harvesting the timber [1].

State Role Increases (1948-1960)

- Centralization of Assessment: Due to inequalities in assessment, the state began centralizing the appraisal of timber lands [1]. This period saw increased state involvement in timber taxation.

Eastern Severance Tax and Western Ad Valorem (1961)

- Severance Tax Introduction: In Eastern Oregon, a severance tax was introduced, while Western Oregon saw a redefinition of timber value [1]. This aimed to address the uneven tax burdens and improve fairness.

Improved Appraisal Methods (1964-1976)

- Appraisal Improvements: Methods for appraising timber lands were improved, leading to more accurate valuations [1]. This period also saw the cutting of much old growth timber in Western Oregon.

Western Indexed Land Values and Severance Tax (1977)

- Indexing and Taxation: Land values in Western Oregon were indexed, and a severance tax was applied [1]. This helped stabilize tax burdens and reflect the true value of timber lands.

THEN

The timber industry lobbyists proposed the really big lie AND THEN:

The timber tax system underwent changes in response to the BIG FAT INVENTED LIE by GLOBAL timber that economic conditions, including the recession and subsequent recovery

Legislative findings during this period emphasized" treating timber on private lands as a crop, not as real property".

Timber is NOT "a crop" unless you are a lawyer with American Legislative Exchange Council who influenced legislators, wined and dined them in places like strip joints in Palm Springs like our Republican representatives in 2012 when they all "took vacation" together.

Such dedication should not be rewarded in perpetuity.

Please restore our Oregon Constitutions intent with a well defined and well written, very thoroughly thought out and far too accommodating (in my mind) to corporate timber measure

for the future of our economy with the power vested in you by the people not the corporations. (Or so we would like to believe)