



Date: April 25, 2025

To: Chair: Representative Nancy Nathanson and the Committee, House Committee on Revenue

Re: HB 3489 Timber Severance Tax with Referral Request

On behalf of the Consolidated Oregon Indivisible Network (COIN) I'm writing to urge you to give support to the Timber Severance tax, HB 3489-1. Our organization is concerned about the impact of wildfires and the means to adequately fund wildfire resilience and mitigation. This bill is a comprehensive solution, addressing both wildfires and the reinstatement of a fair tax on timber that will especially benefit Oregon's rural counties.

This bill replaces the Forest Products Harvest Tax with a fairer assessment of timberland owners. The tax rate starts at a low 2% for owners with 500 acres or less and increases with larger landowners. Many of these larger owners are out of state Real Estate Investment Trusts (REITs) and haven't paid any taxes on the land or timber under the current tax rules. Smaller owners and other taxpayers have shouldered the burden. This bill also bases the tax on "pond value" which is the price paid at the mill at time of harvest rather than number of board feet and this is more accurate, according to value.

Another positive piece of this legislation is a tax reduction incentive for timber ownerships under 5000 acres. If they are certified by the Forest Stewardship Council their tax rate can be reduced by half. This is a way to encourage longer logging rotations which are extremely important to increasing carbon sequestration and lowering the climate impact of logging.

In all, HB 3489 establishes a tax system that will bring in needed tax revenue and address wildfires in a manner that's conservation-minded, reasonable and fair.

Sincerely, Paulette Wittwer for COIN