

Senator Mark Meek, Chair Senate Committee on Finance & Revenue

900 Court Street, NE

Salem, OR 97301

RE: Support for SB 485-2

Dear Chair Meek and Members of the Committee.

We/I request that this letter be entered into the public record on this matter. We support SB 485 and its -2 amendment. First, a little background about us. We are retired, are small forestland owners and we own and actively manage about 460 acres of forestland in western Oregon near Tidewater/Waldport, which our family have been doing for over 100 years.

This bill and its -2 amendment repeal the estate tax for estates of decedents that die on or after January 1, 2025. The amendment also creates separate qualification requirements for the natural resource property tax exemption for small forest landowners to better meet the appropriate management activities for small forest land operations. The -2 amendment is very important to this bill because it clarifies the work done by the legislature along these lines in 2023. Specifically, they passed a new estate tax exemption for qualifying natural resource properties used in farming, forestry, or fishing businesses. This exemption makes a meaningful difference in the estate planning of natural resource property owners.

However, for small forestland owners like us, the details of how to qualify for that exemption do not align with the management activities our land requires. This makes it very difficult for SFOs to utilize the exemption. The -2 amendment solves this problem.

We believe that this bill and its -2 amendment are well written and cover concerns we have had for several years. It will benefit all small forestland owners who fit the criteria of this bill.

Thank you.

Sincerely,

Ben Barclay