

Submitter: D Torres
On Behalf Of:
Committee: Senate Committee On Finance and Revenue
Measure, Appointment or Topic: SB485
Chair & Committee Members,

I STRONGLY SUPPORT SB 485.

The estate tax, often referred to as the "death tax," is a burdensome and inefficient tax that disproportionately impacts small businesses, family farms, and middle-class families who are attempting to pass on wealth to the next generation. By repealing the estate tax, we can help ensure that families are not forced to sell off family-owned businesses or farmland just to meet the tax obligations imposed by the government upon the death of a loved one.

Repealing the estate tax would provide relief to small businesses and family-owned farms. Many small business owners and farmers work tirelessly for decades to build up their businesses, pass down a legacy, and create opportunities for future generations. Under the current estate tax system, these families are often forced to liquidate parts of their business or farm in order to pay the estate tax, which can threaten the continuity of their businesses and livelihoods. Repealing the estate tax would allow these businesses to remain intact and continue providing jobs and economic stability to their communities.

The estate tax disproportionately affects the middle class. Contrary to popular belief, the estate tax does not primarily target the ultra-wealthy. In fact, many middle-class families who may have accumulated significant savings, property, or assets over their lifetime are impacted by the estate tax. The current exemption thresholds are not always high enough to protect middle-class estates, meaning families could face significant tax burdens at a time of emotional loss. Repealing the estate tax would provide middle-class families with peace of mind, knowing that they can pass on their wealth without facing unnecessary and burdensome tax obligations.

Repealing the estate tax would foster economic growth and job creation. The estate tax creates an incentive for individuals to reduce the size of their estates or shift assets into tax-deferred vehicles to minimize their estate tax liability, which can distort financial decision-making and harm economic efficiency. By repealing the estate tax, individuals would be free to invest their wealth as they see fit, supporting businesses, expanding investments, and creating jobs. Additionally, without the fear of the estate tax, individuals may be more likely to invest in long-term ventures that benefit the economy as a whole.

Finally, the estate tax is costly to administer and enforce. The estate tax generates a relatively small amount of revenue compared to the costs of collecting and enforcing it. The time, resources, and bureaucracy required to enforce the estate tax could be better utilized in other areas of tax policy, where they would have a more significant impact. Repealing the estate tax would reduce government spending and make our tax system more efficient.

In summary, repealing the estate tax is a positive step toward creating a fairer and more efficient tax system. It would provide relief to small business owners, farmers, and middle-class families, support economic growth, and reduce administrative burdens on the government. For these reasons, I strongly support SB 485 and urge the Committee to pass it.

ISN'T IT PAST TIME TO FINALLY HAVE LEGISLATORS CRAFT LEGISLATION THAT PROVIDES RELIEF TO THE OREGON TAX PAYER AND THEIR FAMILIES?