



SB 1511: Estate Taxes

Jim Scherzinger, Tax Fairness Oregon

The Tax Fairness Oregon steering committee supports the approach taken this bill and the proposed amendment. We have consistently supported indexing of the estate tax as well as a number of other changes as long as the result is revenue neutral.

The Oregon estate tax provides over \$1 billion per biennium in revenue. Maintaining this revenue is vital in preserving services for Oregonians.

But we take this position not just because the state has many problems to solve. We, as an organization, were founded on the recognition that, due to tax policies and other changes, income and wealth inequality has steadily increased over the last 50 years. The recent federal changes have accelerated the inequality – reducing taxes on the rich while increasing prices on those who can least afford it. Adjusting the tax to preserve its role in addressing inequality makes sense.

In addition, there are other changes that would improve the equity and efficiency of the tax, some of which allow lower rates while maintaining revenue-neutrality:

- Establish a gift tax, a typical companion tax to prevent estate tax avoidance
- Improve portability of the exemption of the first to die,
- Combine the best elements of the two natural resource provisions into one sensible one.

Since we are in a short session, perhaps it's not the time to consider these more complicated issues. But we hope the work can continue into the next session.

Thank you for your attention. We appreciate the opportunity to help craft a more efficient, sustainable estate tax.