

# New Meadows Tree Farm

Rex Storm • 40233 SW Snowcrest Dr • Cornelius, OR 97113 • 503-357-7453



May 23, 2011

## Testimony to Support HB 2541-A

Senate Finance and Revenue Committee  
The Honorable Ginny Burdick, Chair  
900 Court Street, Room 143  
Salem, Oregon 97310

Chair Burdick and Members of the Committee:

For the record, I am Rex Storm, a second generation family forestland owner from Washington County. My wife and I own 94 acres of commercial forestland, located in Columbia and Washington Counties. Our income comes from two full time jobs.

We own this forestland for two purposes; for future retirement income; and secondly, to instill in our children the legacy of land management, which they could someday inherit. I learned this from my father. We hope to acquire more land for this purpose. But frankly, Oregon's punitive estate death taxation discourages me from purchasing more forestland that would grow wealth, which upon my demise the State would take—instead of my children reaping their legacy.

**I am here today to offer support for HB 2541-A, as a better way to reward my family's commitment to forestland management—for our relatively small estate of less than \$3 million in value.**

The current Oregon death tax on estates over \$1.0 million is a terrible disincentive for family forestland owners such as my wife and me. The current death tax teaches my children the perverse lesson that one *should not invest* their toils into forestry or land management because the State will take much of it away, *if you are too successful, if you manage the forest well, or if your parents die.* Oregon's death tax now punishes families like mine who are just trying to get ahead by doing good forest management. Forest management decisions should be based on sound forestry, not on government-forced harvest to pay the taxman when Dad dies and the appraisal comes in over \$1 million. *This is wrong!*

HB 2541-A would create a more practical balance in Oregon's death taxation. This proposed adjustment would honor family forestland owners who have a modest family investment—and would like their children to learn respect for working the land as a noble and worthy cause in life.

Thank you for your consideration.