

From the Desk of:

Rep. Gail Whitsett



Oregon Farm Bureau Requests Your SUPPORT of SB 864-A

SB 864-A concerns the Natural Resources Credit, which is allowed for certain estates with farm, ranch, small woodlot or commercial fishing operations. The intent of the credit is to assist family based, natural resource businesses transitioning from one generation to the next.

Unfortunately, several families that own and operate legitimate working farms and ranches do not qualify for the credit because their family operations cross state lines. This is a common practice in agriculture. For example, several southern Oregon ranch families winter their cattle in California.

In order to utilize the credit, the Oregon natural resource property must comprise at least 50 percent of the total estate value. Currently, out-of-state natural resource properties are counted in the total estate. However, they are not counted towards the credit because they are not located in Oregon. Disqualification from the credit has devastated some families. This was not the intent of the Natural Resources Credit. These assets represent lifetime investments of a family business. Without this credit, family members may be forced to sell portions of the property to pay estate taxes.

SB 864-A is a fix to this issue; it modifies the definition of natural resource property to only include property in the state. The bill adjusts the ratio, so that only in-state properties are used in the calculations.

The credit is an effective method to offset taxes owed in order to preserve working farm, forest and other natural resource businesses throughout the state. It helps the next generation of farmers and ranchers continue operating the family farm or ranch.

Please fix the Natural Resources Credit, so it can assist family farmers and ranchers as it was intended.

**SUPPORT the Oregon Family Farmers by
VOTING "YES" ON SB 864-A**

For more information contact: Katie Fast or Jenny Dresler