

Chairman Barnhart and Members of the House Revenue Committee

Subject: HB 2859

I am writing in to encourage you to oppose HB 2859, an act which will be devastating to the long term economic viability of small family farms like ours on Sauvie Island, near Portland.

HB 2859 would **eliminate** farm and forest use assessments and personal property tax exemptions for farm equipment in 2024. These are the policies that keep farmers, ranchers and small woodland owners in business and protect farmland.

- **Personal property tax exemptions for farm equipment are necessary!**

The equipment required to run a farm is very expensive and specialized. Unlike equipment for other industries which is used daily to produce revenue, much farm equipment can only be used for a short time each year. The added expense of annual personal property tax that equipment would make it not feasible to own or operate our farm.

- **The farm use assessment protects farmland!** (Section 59)

Without the farm use special assessment, Oregon's land use system would be put jeopardy! Legislators have long recognized that urban areas are encroaching on agriculture, thus increasing the lands' value and tax liability-and making it more expensive to keep them in production. As a result, the Oregon Legislature established several special-assessment programs to reduce taxes for those who keep the land in ag or timber production. Eliminating these special assessments puts the viability of family farms and forests at risk!

- **Farm homesite assessments keep farmland in production!** (Section 60)

Farmers are not allowed to parcel off the home and acre from farmland, which is why a special assessment is necessary. The special assessment is actually the highest and best use of the land. If the homesite is no longer used for farm use, the law already stipulates the site no longer qualifies for the exemption. A repeal of this exemption would unfairly target farmers, taking away the highest and best use of the land. This exemption is necessary to protect family farms.

HB2859 have very, very devastating impact upon small family farms. Please do not vote this bill out of committee.

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