

Oregon Women's Rights Coalitionsince 1971

SB 784 Crop Fire Tax Subtraction

March 13, 2019

Chair Hass, Vice Chair Bentz and Members of the Committee;

One of the tenets of Capitalism is that as an owner, you have both risks and opportunities.

For farmers there are many risks between weather and other natural disasters. However, crop insurance is available. There are even lawyers with specialties in working with farmers if they feel they have not been adequately compensated by insurance entities.

A prudent small business person makes sure there is insurance coverage on their business assets. In this case we are talking crops.

“You just simply can’t stand to have a loss, and insurance has worked for us. I tell people to get insurance. It’s a very good investment and easily pays off in those bad years.”- **Ned and Steve Hill** La Prenda Vineyard Management/Parmelee-Hill Vineyards 1.

We see two concerns in this bill.

This bill acknowledges that crop fire insurance is available, as the subtraction is reduced by any other payments including insurance. What would incentivize the farmer to buy insurance if we, the citizens of Oregon are going to shoulder the risk for the farmer with this bill?

Our second concern is that this is yet another erosion of the income tax base. We are generous in our support of agriculture and natural resources already. I have attached a listing of the Natural Resources tax expenditures with those most likely to cover crops highlighted in yellow.

Please consider the school children in Oregon, and the senior on a very moderate fixed income before deciding that Oregonians should accept the risks that should be borne by the farmer.

Marcia Kelley

OWRC Public Policy Advocate

1. American AgCredit website.

Email: owrcadvocacy@gmail.com, PO Box 3025 Portland OR 97208