

Estate Tax Natural Resource Credit/Exclusion Comparison of Current Law Credit to SB 498-1

	Natural Resource Credit (Current Law)	SB 498-1
Natural Resource Property Definition	ORS 118.140	ORS 118.140
Definition of Family Member	Internal Revenue Code Section 2032A Ancestors/descendants, descendants of parents	3rd Degree of Relation
Maximum Value Of Natural Resource Property	7.5 million	15 million
Maximum Value of Estates	15 million adjusted gross estate	No limit
Minimum portion of estate that is Natural Resource Property	50%	No limit
Ownership Requirement	5 of 8 years prior to death, and 5 of 8 years after death	1 year prior to death, and 5 years after death
Family Member Material Participation	5 of 8 years prior to death, and 5 of 8 years after death	None
Form of Tax Reduction	Tax is reduced in proportion to Natural Resource Property value as fraction of total estate value	Tax is calculated after subtracting Natural Resource Property value from taxable estate value
Recapture	Portion of 5 years not in use multiplied by Difference in Tax	Difference in Tax