

Work Session HB 2438, HB 2057  
HB 2439, HB 2240  
HB 2442, HB 2441  
HB 2177, HB 2245  
Tapes 63-64  
A/B

HOUSE COMMITTEE ON  
REVENUE AND SCHOOL FINANCE  
SUBCOMMITTEE ON INCOME  
TAXATION

MARCH 23, 1993 8:00 AM HEARING ROOM C STATE CAPITOL BUILDING

-  
Members Present: Representative John Schoon, Chair Representative Ron Adams  
Representative Tony Federici Representative Delna Jones, Ex Officio  
Representative Gail Shibley Representative Greg Walden  
Witnesses Present: Joe Misek, Department of Forestry (DOF) Wallace  
Rutledge, Department of Forestry  
Staff: Richard Yates, Legislative Revenue Office Mary Gottlieb, Committee  
Assistant

TAPE 063 SIDE A

001 CHAIR SCHOON called the meeting to order at 8:10.

003 CHAIR SCHOON opened the work sessions on HB 2438, HB 2057, HB 2240,  
HB 2439, HB 2441, HB 2442, HB 2177, and HB 2245.

061 MOTION CHAIR SCHOON moved that the committee  
recommend to the full committee that HB 2439,  
HB 2441, and HB 2442 be tabled.

DISCUSSION

084 ORDER CHAIR SCHOON, hearing no objection, so ordered.

099 DICK YATES presented information from Exhibit 1, March 19, 1993, Forest  
Revenue Impact of HB 2438.

118 JOE MISEK (with WALLACE RUTLEDGE) commented on HB 2240 and stated that  
the original intent of Western Oregon Small Tract Owner Tax (WOSTOT) was to  
encourage small woodland owners to manage and hold their timber to  
maturity. He provided background history of how timber owners use WOSTOT  
and tax credit programs for reforestation and more productivity.  
Discussion and questions.

These minutes paraphrase and/or summarize statements made during this  
meeting. Text enclosed in quotation marks reports the speakers exact words.  
For complete context of proceedings, please refer to the tape recording.

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200 WALLACE RUTLEDGE provided testimony that showed immediate revenues from  
conversion harvest and future revenues from productive forest harvest.  
Discussion and questions.

260 CHAIR SCHOON moved back to HB 2438.

268 DICK YATES presented Model to Compute Timber Taxes from Exhibit 1,  
March 19, 1993. DICK YATES explained the figures from the different tables.

TAPE 064 SIDE A

001 DICK YATES continued his explanation of his timber tax tables. He  
demonstrated the importance of land values on the severance tax.  
Discussion and questions.

126 DICK YATES moved to page 2, Section 2, Model to Compute Timber Taxes,  
from Exhibit 1, March 19, 1993.

283 DICK YATES responded to a question from REP. SHIBLEY by stating that

Measure 5 rates, particularly the school tax rates, are being phased down through 1995. In 1995-96, the Measure 5 rates hit the bottom. Any increase in value flows through automatically.

300 CHAIR SCHOON recessed at 9:01 a.m.

301 REP. SHIBLEY, Acting Chair, adjourned the meeting at 10:55 a.m.

Mary Gottlieb, Committee Assistant

Kimberly Taylor, Office Manager

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#### EXHIBIT SUMMARY

1. HB 2240 - WOSTOT/Tax Credit Funding, Joe Misek, Department of Forestry.
2. Fiscal Analysis of Proposed Legislation, Legislative Fiscal Office.
3. HB 2441, A Bill for an Act, Dick Yates, Legislative Revenue Office.

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context of proceedings, please refer to the tape recording.