Eastern Oregon tourism receives state funding bump

The Observer

PORTLAND — The Oregon Tourism Commission, which does business as Travel Oregon, awarded $913,000 to 34 projects across the state. More than $125,000 went to five projects in Eastern Oregon.

The grants are for "the development, enhancement and stewardship of key visitor experiences that are COVID-19 appropriate," according to the press release from Travel Oregon, "will aid in economic recovery, enhance local livability and provide access to a diversity of explorers through the Destination Ready program."

Todd Davidson, CEO of Travel Oregon, in the release stated the projects are crucial in ensuring visitors and Oregonians have access to safe and enjoyable experiences as the commission rebuilds Oregon's tourism economy while navigating the pandemic.

Lisa Britton/Baker City Herald, File

Two Color campground, along Eagle Creek in the southern Wallowa Mountains, is among many campgrounds on the Wallowa-Whitman National Forest. Travel Oregon awarded $913,000 to 34 tourism projects, including $20,000 to the Eastern Oregon Visitors Association to prepare the Wallowa Whitman and other sites for the coming season.

"Communities across the state rely on tourism as an essential component of their economic fabric," Davidson continued. "These communities need visitor-ready attractions and experiences that continue to prioritize public health measures and Travel Oregon is excited to support these local initiatives that will play a significant role in the state's economic recovery."

In Eastern Oregon, the following are the amounts, recipients and purpose of the awards:

• $21,711 to the Greater Hells Canyon Council to help with mapping and trail maintenance operations for The Blue Mountains Trail, a 556-mile thru-hiking experience through northeast Oregon.

• $20,000 to the Eastern Oregon Visitors Association for land stewardship and maintenance efforts to prepare Eastern Oregon's most visited public lands for the coming season, including the Wallowa Whitman National Forest, The Owyhee Region, The Steens Mountain Wilderness and the Alvord Desert.

• $24,500 to the Eastern Oregon Visitors Association for updates to six Eastern Oregon Farm Trail brochures with distribution, and creation of a new on-the-ground kiosk.

• $25,000 to the Oregon Department of Fish and Wildlife to make infrastructure and accessibility improvements to establish Marr Pond as the only ADA accessible fishing facility in Wallowa County.

• $35,000 to the city of John Day to create a community "pit stop" with food truck stalls, improved parking and new public restrooms.

Originally announced as a $250,000 opportunity, Travel Oregon received more than $4 million in requests through 135 applications. In response to the high demand, the agency reviewed internal program dollars and reallocated resources to increase the award amount to $913,000, which allowed funding for 34 projects. The agency's Destination Development team will manage projects, which range from direct investments to more collaborative projects where staff will work closely with awardees through implementation.

Business column: Worry about the right thing with estate taxes

Death and taxes may be the only certainties in life, but death taxes are only a remote possibility for most people. The vast majority of Americans won't ever have or give away enough to owe estate or gift taxes.

Far more people could be affected if a tax break that benefits heirs is eliminated. While campaigning for president, Joe Biden proposed doing away with something called the "step-up in basis" that allows people to minimize or avoid capital gains taxes on inherited assets. But no legislation has been proposed yet, and such a change could have a tough time getting approved by a divided Congress.

LIZ WESTON
NERDWALLET

"Right now, we're telling folks to start thinking about this stuff, but we're not rushing out to take action," says certified financial planner Colleen Carcone, a director of wealth planning strategies at TIAA.

How step-up in basis lowers taxes

Although most estates don't owe estate taxes, anyone who's inherited a house, stock or other property has likely benefited from the step-up tax break that gives such assets a new value at the owner's death.

Say your savvy aunt paid $7,000 for a single share of Berkshire Hathaway stock in 1990. That's her tax basis. If she sold the stock for its closing price of $362,000 on Feb. 10, she would owe tax on the $355,000 gain. If she generously gave you the stock and you sold it on Feb. 10, you'd owe the same amount of tax because you'd also get her tax basis.

Now, let's say that instead of giving you the stock, she left it to you in her will and she died Feb. 10. The stock would get a new basis for tax purposes of $362,000. All the gain that occured during her lifetime would never be taxed. If you sold the stock later, you would owe tax only on the gain since her death.

Some kinds of inheritances, such as annuities or retirement accounts, don't get the step-up. But it's no exaggeration to say that far more people benefit from our estate tax system — by inheriting homes and other assets with a stepped-up tax basis — than have to pay any estate taxes.

Who pays gift and estate taxes now

This year, an estate has to be worth more than $11.7 million to trigger federal estate taxes. Less than 0.1 percent of the people who died in the U.S. last year were expected to leave estates large enough to owe any tax, according to the Urban-Brookings Tax Policy Center.

People who have to pay gift taxes are pretty rare as well. There's an annual exclusion, or an amount you can give away to as many people as you want each year without having to file a gift tax return. The exclusion limit is $15,000 for 2021 — you can give up to $15,000 each to an unlimited number of people without having to report the gifts. Even if you do have to file a gift tax return, you wouldn't actually owe gift taxes until the amount you gave away in your lifetime — over and above the annual exclusion amounts — totaled more than $11.7 million.

Although most estates don't owe estate taxes, anyone who's inherited a house, stock or other property has likely benefited from the step-up tax break that gives such assets a new value at the owner's death.

These historically high limits are scheduled to end in 2025, which means in 2026 the estate and gift tax exemption limits would revert to $5 million per person, adjusted for inflation. Biden wants the exemption to drop to $3.5 million per person.

People in some states already face lower limits. The 12 states that impose their own estate taxes — Connecticut, Hawaii, Illinois, Maine, Maryland, Massachusetts, Minnesota, New York, Oregon, Rhode Island, Vermont and Washington — and the District of Columbia have lower exemption limits than the feds. Massachusetts and Oregon have the lowest exemption amounts, $1 million.

Six states — Iowa, Kentucky, Maryland, Nebraska, New Jersey and Pennsylvania — also levy taxes on people inheriting. Different tax rates and exemption limits apply, depending on the relationship between the inheritor and the person who died. Immediate family members usually pay the least, if anything, while distant relations and nonrelatives pay more.

What you should do now: Keep good records

The idea of eliminating the step-up in basis has been proposed in the past, but it faced headwinds in part because the practice benefits a wide range of voters.

Since there's no concrete proposal to change the step-up, there's not much people can do to prepare for change other than what they should be doing anyway, which is keeping careful records. That means "tracking the basis" of what they paid for any assets as part of routine estate planning.

If you buy shares of a stock in a taxable account, for example, hang onto records showing those purchases. The cost of any improvements you make to a home or other real estate also can increase its tax basis and potentially reduce taxes later.

"The one thing that we do think folks should start doing today is really starting to think about the record-keeping," Carcone says.

———

Liz Weston is a columnist for the personal finance website NerdWallet.com, which provides columns to The Associated Press.

State Business News

Man accused in $15M grass seed money laundering schemes

SALEM — A former manager of a Washington-based seed company was charged this week with laundering and wiring over $15 million through several schemes to defraud the company's former owner and its customers.

Former Jacklin Seed Company General Manager Christopher Claypool of Spokane, Washington faces charges of conspiracy to commit wire fraud and money laundering against the company's former owner, J.R. Simplot Company, U.S. Attorney Billy J. Williams said this week.

Jacklin Seed Company is a producer and marketer of grass seed and turfgrass based in Liberty Lake, Washington, the Statesman Journal reported. According to the U.S. Attorney's Office, the company contracted with independent growers for the production of proprietary grass seed varieties and fulfilled orders from a distribution facility in Albany.

Claypool, 52, oversaw the company's product sales to domestic and international distributors.

U.S. attorney officials said Claypool's alleged schemes include packaging seed varieties with false and misleading labels, embezzling more than $12 million while posing as a foreign sales partner and conspiring with a travel agency in Spokane to inflate costs of his international travel.

It wasn't immediately known if Claypool has an attorney to comment on the case.

Hotel fined for overcharging people during wildfire

ROSEBURG — A hotel in Roseburg has been fined $31,000 for overcharging dozens of area residents who sought rooms after fleeing a large fire in September.

The News-Review reports SUBH Investment LLC, which does business as Days Inn by Wyndham in Roseburg, entered into an agreement with the Oregon Department of Justice on Monday.

Devon Kumar, who lives in a suburb of Portland, is listed with the state as the owner of the Days Inn. He declined to comment when contacted by the newspaper. Kumar agreed to pay $31,000 in fines to the state department of Justice, spread out in payments over the next six months.

At the time of the Archie Creek Fire, the Days Inn rented or offered to rent at least 31 rooms at a price that was at least 15% higher than the normal room price, the agreement said.

The single highest rate Days Inn charged in October was $150 a night, yet during the fire the hotel rented 12 rooms for over $200 a night, including six rooms for over $300 a night, the Department of Justice said.

— Associated Press