

Statement of Sharon Corning in Support of HB 2510

Before

House Revenue Committee

Salem, Oregon

February 22, 2013

Chairman Barnhart and members of the Revenue Committee, my name is Sharon Corning. I have been an Oregon resident since January 1983, and have been an Oregon homeowner and taxpayer most of that time. I am also a member of the ***Alliance of Vulnerable Homeowners***, a statewide group of citizens who have joined to find ways of improving Oregon's Senior and Disabled Property Tax Deferral Program. I appreciate the opportunity to submit these comments.

I bought my current home in Woodburn in 2009. My decision to buy the house was based on my acceptance into Oregon's Senior Citizens' Tax Deferral Program, and I had every reason to believe that I would continue to be eligible. However, I was terminated from participating in the program because of the five-year residency requirement. In the fall of 2011, I was shocked when I was notified that the qualification criteria had been changed and that I no longer qualified. My life has been adversely impacted by that change in the program.

I have only Social Security benefits to live on which do not give me sufficient income for a mortgage payment. With the ability to defer real estate tax in Oregon, I determined that I could make ends meet if I paid cash for a house. Consequently, I used my retirement funds to buy a home in Woodburn.

My real estate tax bill is more than ten percent of my annual income. Because I have no other resources, I am unable to pay the tax and it is now accumulating against my property. Without the formality of the tax deferral program, I am fearful of what will happen.

I feel it is unconscionable that the legislature would change qualification criteria for low income homeowners already qualified and depending on the tax deferral

program. This is an extremely financially vulnerable population struggling to remain independent. Many of us have based life-changing and irrevocable financial decisions on the deferred tax burden offered by this program.

When programs must be changed, it is only fair that changes be limited to new applicants. It is difficult to see how changes like the ones made to the tax deferral program could have been made with serious forethought. With mounting tax bills, how many of these seniors will be forced to sell their homes?

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I believe the amendments contained in HB 2510 will go a long way toward restoring assistance to some of the most adversely affected homeowners and former participants in the Senior Citizens' Property Tax Deferral Program.

The Alliance of Vulnerable Homeowners seeks the permanent reinstatement of lower income participants who had been disqualified from the program simply because of the type of mortgage held on their property, the length of time they have lived in their home or because of administrative errors.

Conclusion

I urge this Committee to adopt the program improvements proposed in House Bill 2510. I believe that this distressed group of homeowners should be grandfathered into this very important and necessary tax assistance program.

Thank you for accepting my testimony. I would be happy to try to respond to any questions that you may have.

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