



HB 3298 Mortgage Interest Deduction Major Changes

Testimony for House Revenue – Anne Nesse -- 3.27.2017

I am testifying for Tax Fairness Oregon on HB 3298 as amended with the -1.

This bill is very similar to HB2006, and we think inferior.

There are two main differences however that are very important to note.

First is that the cap of the mortgage interest deduction reduction for the higher income earners is too high, over \$350,000 annual adjusted income for joint filers, (which was probably meant to be \$300,000, a doubling of \$150) . Whereas the cap of the mortgage interest deduction reduction in HB2006 is \$200,000 for joint filers. Both of these are for primary residences only.

Second is that HB3298 broadens the subsidy from only those who itemize, to all but the wealthiest homeowners with mortgages, by creating a refundable tax credit, but does nothing to directly impact the severe housing shortages in our state. It continues the subsidy of those with homes, rather than addressing those without homes.

We suggest we together promote the HB2006 that will adequately address our problems with an estimated generation of funds of \$300 million dollars per biennium, to help solve housing problems all over the state.