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2023 Oregon Legislative Assembly
Hearing – Senate Committee on Finance and Revenue
Written Testimony for SB 976 related to Mortgage Interest
Deduction – Opposition

DATE: April 12, 2023 – 3:00 p.m.

Good afternoon Chair Senator Meek, Vice Chair Boquist, and members of the Senate Committee on Finance and Revenue.

On behalf of nearly 4,000 members of the Oregon Society of Certified Public Accountants (OSCPA), we respectfully submit written testimony in **opposition to SB 976**.

BACKGROUND:

Our overarching issue and concern related to SB 976 is not related to the specific subject matter of the bill. Instead, from a more important perspective, the bill advances the idea that disconnecting from federal income tax statutes and provisions is a simple course of action with few consequences. This specific disconnect is broad based and will affect many Oregon taxpayers. Disconnecting from federal statutes and provisions increases state tax complexity, a significant consequence.

- Complexity negatively impacts Oregon taxpayers who must know how to file their federal return and then change specific items for Oregon purposes.
- Complexity also negatively impacts tax advisors who must timely learn and advise their clients of the impacts of these disconnected provisions.
- Complexity impacts the Oregon Department of Revenue. The more complex the process of understanding the differences between state and federal statutes and provisions, the higher the risk of unintended noncompliance by taxpayers. Not all taxpayers utilize the expertise of tax advisors.
- Supporting conformity, and not disconnecting from various federal statutes and provisions, is in the best interest of Oregon taxpayers. Conformity helps taxpayers to understand that the decisions made for federal purposes also impacts their Oregon tax obligation and compliance.

RECOMMENDATION:

On behalf of Oregon Society of CPAs, we respectfully encourage you to **oppose Senate Bill 976** and remain connected to federal tax code and its provisions.

Thank you for the opportunity to share our feedback with you today.

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