

Submitter: Susan Tokarz-Krauss
On Behalf Of: Myself and my real estate clients
Committee: Senate Committee On Finance and Revenue
Measure: SB976

I hope that home ownership will not be further placed out of the reach of those who seek it due to this bill. I oppose any changes to the Home Mortgage Interest Deduction. Home ownership is something people naturally seek for it's many benefits to one's family, housing stability, investment opportunity and chance to become a true part of a community.

I have a client, Bettina, who had been looking for a home for over 2 years. She is a single mother who works full time and struggles to make ends meet. Having found a small home to call her own, she was thrilled to be able to write off the interest on her \$276,000 loan which has an interest rate of 6.25%. She is grateful to be a homeowner, but the MID was a huge benefit to her in this year where childcare is expensive, her mortgage payment is her highest bill and groceries are almost a luxury item. Add to that gas, automobile insurance, health insurance - oh yes and her phone broke. The minicomputers aka cell phones upon which she (and all of us) rely upon is another huge expense.

One of the incentives for buying a home is the offset that is provided in the form of the Mortgage Interest Tax deduction. Especially now with homeowners forced to finance with very high rates of interest. The low housing inventory, which will remain so due to builders not building due to interest rates being at the highest in years, and only a limited amount of people who can afford what is available at the rates being offered. Oregon places a significant amount of the state's tax burden on homeowners and has one of the highest income taxes in the country. Most of my clients, of various income levels are suffering financially due to losses on investments, high inflation which has increased groceries and the cost of living for families by more than 30%. The NOT so affordable care act has forced anyone in the middle class, also homeowners (50-64) to have to choose between saving for retirement or paying over \$1000 for mandatory health insurance.

Please stop harming the main group of people who pay the bulk of the taxes in this state and in this country. Young people are moving away in order to seek areas with NO state income taxes or NO property taxes because they distribute the tax burden in an equitable manner via a sales tax. In this state the double penalty forces would be homeowners into near perpetual renter status. The one saving grace is that a homeowner can write off the interest on their mortgage, usually their most significant cost, which eases the tax burden and provides an incentive to buy a home.

Putting an end to the constant attempts to harm homeownership by disallowing the

MID would be ideal. Focus instead on being a better steward of the funds at hand.

You have been entrusted to help Oregonians, not harm them.