

The League of Women Voters of Oregon is a 97-year-old grassroots nonpartisan political organization that encourages informed and active participation in government. We envision informed Oregonians participating in a fully accessible, responsive, and transparent government to achieve the common good. LWVOR Legislative Action is based on advocacy positions formed through studies and member consensus. The League never supports or opposes any candidate or political party.

March 7, 2017

To: <u>House Revenue Committee</u> <u>Chair, Representative Phil Barnhart</u>

Re: <u>HB 2771</u> – Phases out allowance of itemized deduction for real property taxes – SUPPORT

The League of Women Voters of Oregon believes our government requires adequate funding, with an equitable, stable, and flexible taxation system in order to be run efficiently and economically. Our primary focus this session is our \$1.8 billion state budget shortfall. We support structuring our income taxes progressively. Given our budget shortfall, we think it is time to consider House Bill 2771, to make property tax deductions similarly progressive.

This adjustment will affect the top few percent of Oregonians, for whom, we submit, this should not be an undue burden. We are weighing this in the context of our impending state budget shortfall, with tax expenditures, program cuts, and difficult decisions to be made, including looking at mortgage interest deductions, whether it be applied to income brackets, and/or to deductions for additional properties, being discussed in House Bill 2006. We feel in weighing housing loan subsidies for those in this bracket, the time has come to tighten this belt.

Thank you for the opportunity to discuss this legislation.

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Norman Turrill LWVOR President

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