

Date: April 1, 2021  
Re: Support for SB 852

Chair Jama, Vice Chair Linthicum, and Members of the Senate Committee on Housing and Development,

As a public health advocate and concerned Oregonian, I am writing to request your support for SB 852.

SB 852 takes a fairer approach to mortgage interest deductions. This bill allows Oregonians to only take tax deductions for the mortgage on their primary residence, and limits who can take the deduction based on their income. Around 95% of taxpayers will be unaffected by this bill. This reform will not impact landlords, who can already receive a deduction on rental properties through their business taxes. This could redirect roughly \$200 million from current subsidies for wealthy homeowners toward services for the neediest.

This measure will bring fairness to our state tax code and budget, in two ways:  
... by ending a big tax break for the Oregonians who least need help with housing;  
... by funding housing programs to serve the Oregonians who most need help.

For too long, mortgage interest deductions have served less to promote homeownership than as a tax break skewed toward the richest residents. Only the wealthiest can even access some of the subsidies in the existing tax structure, because only a minority of Oregonians own multiple properties. Meanwhile, many Oregonians lack even a primary residence. Across our state, the housing market is getting more expensive by the day.

This bill will invest in programs that get stable housing for more Oregonians: services for the unhoused, first-time homebuyer programs, and affordable housing.

This is a transformational moment, as we rebuild our community in the shadow of a devastating crisis. This is an opportunity for us to look closely at our values as a society and invest in shaping a more fair and inclusive state for our future. Now and in the years to come, Oregon cannot afford to keep extending tax breaks to residents who least need their housing subsidized, while others lack shelter altogether. We have the chance to reassess our priorities as a state, and one of those priorities must be a safe, stable home for every Oregonian - especially every child.

Thank you for the consideration of this important issue. I urge you to support SB 852.

Sincerely,  
Audrey Zunkel-deCoursey