

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 3010

82nd Oregon Legislative Assembly – 2023 Regular Session
Legislative Fiscal Office

Only Impacts on Original or Engrossed Versions are Considered Official

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Measure Description:

Limits, for purposes of personal income taxation, amount of allowed mortgage interest deduction.

Government Unit(s) Affected:

Department of Revenue, Housing and Community Services Department, Task Force/Committee/Workgroup, Counties, Legislative Assembly, Legislative Revenue Office

Analysis:

This fiscal impact statement is for the purpose of transmitting the measure from the House Committee on Housing and Homelessness to the House Committee on Revenue.

The measure creates a first-time home buyer tax credit and limits the allowed mortgage interest deduction. The Department of Revenue is directed to estimate the annual increase in the amount of personal income tax received that can be attributed to changes to the mortgage interest deduction, and to transfer half of that amount to the Oregon Housing Fund to the credit of the Oregon First-Time Home Buyer Account, which is created under this measure. Moneys in the Oregon First-Time Home Buyer Account are continuously appropriated to the Housing and Community Services Department to fund assistance with initial costs of home purchases for first-time home buyers.

The measure also establishes the 13-member Task Force on First-Time Ownership, which is to study methods for providing assistance with initial financial requirements for first-time home buyers, focused on down payment and closing costs. The task force is to study the feasibility of providing assistance for home purchases through grants, loans, or forgivable loans made to first-time home buyers; methods for providing assistance; the role of the nonprofit, public, and private sectors; and potential costs to administer a program providing assistance to first-time home buyers. The task force is to submit a report to an interim committee of the Legislative Assembly related to revenue no later than September 15, 2024. The Legislative Revenue Office is to provide staff support to the task force. The task force sunsets December 31, 2024.

The measure takes effect on the 91st day after the Legislative Assembly adjourns sine die.

A more complete fiscal analysis on the measure will be prepared as the measure is considered in House Committee on Revenue.

Further Analysis Required