

Submitter: Jon Hansen
On Behalf Of:
Committee: House Committee On Revenue
Measure, Appointment or Topic: HB4136

Dear Chair Nathanson, Vice-Chairs, and Members of the Committee:

I respectfully oppose HB 4136, which eliminates the mortgage interest deduction for non-principal residences and redirects the revenue to down payment assistance. While I support affordable homeownership, this bill is flawed:

It raises taxes significantly on many middle-class Oregonians who own modest second homes or family cabins for personal use—not vacant luxury properties. This could add thousands in annual state taxes without solving housing supply issues. It breaks from federal conformity on mortgage interest, adding complexity for itemizing taxpayers and potentially discouraging homeownership.

The estimated \$9–10 million in redirected funds is too small to meaningfully address Oregon’s housing crisis. Better solutions include zoning reform and builder incentives, not targeted tax hikes on certain owners.

The narrow exception for properties being sold or marketed could create unintended hardship during life transitions.

I urge the Committee to reject HB 4136 or amend it to protect legitimate personal-use second homes. Focus on building more housing instead of raising taxes on existing owners.

Thank you for your consideration.

Sincerely,

Jon Hansen