

Submitter: Richard Horswell  
On Behalf Of: Self  
Committee: House Committee On Revenue  
Measure, Appointment or Topic: HB4136

Chair Nathanson, Vice-Chairs Reschke and Walters, and Members of the House Committee on Revenue

A note of opposition to HB 4136. While funding downpayment assistance is important, taking away tax deductions that help Oregonians afford their mortgage is not the right way to pay for it.

Oregonians who have already purchased their homes are locked into their mortgage payments. Taking the mortgage interest deduction away from them now is unfair and puts them at financial risk. For new homebuyers, the mortgage interest deduction makes it possible to afford a home at today's high prices and interest rates.

Limiting the mortgage interest deduction—whether for first or second homes—doesn't target "the rich." It simply gives an advantage to investors and wealthy buyers who pay cash for homes over Oregonians who purchase homes using a mortgage.

The federal government—and Oregon—already put major limits on the Mortgage Interest Deduction in 2025. Federal and Oregon law now permanently cap deductible mortgage interest at \$750,000. This includes combined mortgage debt from a primary residence, second home and any home equity loans used for home improvements. Oregon shouldn't pass any further restrictions on the deductibility of mortgage interest—whether for first homes or second homes.

Please don't make it more expensive to purchase and own a home in Oregon. I urge you to oppose HB 4136 and any proposed changes to the Mortgage Interest Deduction this legislative session.

Respectfully submitted,  
Richard Horswell