



HB 4056 Allows former owner to claim a tax foreclosure surplus

House Committee on Revenue – John Calhoun – 2.15.2024

My name is John Calhoun and I am representing Tax Fairness Oregon, a network of volunteers who advocate for a rational and equitable tax code.

We agree with the unanimous decision in the U.S. Supreme Court case of *Tyler v. Hennepin County* that the county should not retain a surplus from foreclosed property beyond the taxes owed and the costs involved in settling the foreclosure.

We are not lawyers, but we approach this from an ethical basis in our search for tax fairness. No one should take what is not theirs and in this case the county has no claim on the surplus. However, we are also sensitive to the point made by Representative Smith at the informational hearing on the court case and Representative Marsh this morning. If there are other liens or loans on the property, the owner or their heirs should not in turn be rewarded with a surplus that is owed to others. Some lien holders could be small building contractors or individuals. The current language in SB 4056 does not protect the other claims.

Lastly, as non-lawyers we do not appreciate why it requires six years to go through the foreclosure process. During that extended time the property and the community can suffer. We hope that in the process of making our laws on foreclosure consistent with the court ruling, attention could be given to making the whole process shorter.