

ONE HUNDRED ONE NORTH CARSON STREET  
CARSON CITY, NEVADA 89701  
OFFICE: (775) 684-5670  
FAX NO.: (775) 684-5683



555 EAST WASHINGTON AVENUE, SUITE 5100  
LAS VEGAS, NEVADA 89101  
OFFICE: (702) 486-2500  
FAX NO.: (702) 486-2505

## Office of the Governor

July 22, 2013

Senator Debbie Stabenow  
133 Hart Senate Office Building  
Washington, DC 20510

Senator Dean Heller  
324 Hart Senate Office Building  
Washington, DC 20510

Dear Senators Stabenow and Heller:

I am writing to express my support for extending the *Mortgage Forgiveness Tax Relief Act*. I share your view that relief is needed to ensure that homeowners whose mortgage debt exceeds the value of their home will not be hit with additional income taxes if a portion of their mortgage is forgiven. On behalf of the several thousand Nevadans who still need this relief, I applaud your efforts to pass this important legislation.

This fall, Nevada will roll-out our newly-created *Home Means Nevada* home retention program, which will offer a portion of Nevadans in underwater mortgages with the opportunity to seek principal reductions. The extension of this tax relief will ensure those Nevadans are not penalized for their participation in the program. It simply does not make sense to tax Nevadans for income they never earned, especially when they are already struggling with overwhelming mortgages.

As you know, Nevada was extremely hard hit by the economic recession, and that pain was felt acutely in our housing market. At one point, more than 60% of Nevada homeowners were underwater on their mortgages. As of the first quarter of 2013, about 45 percent of Nevada homeowners still owed more on their homes than they were worth. While this is an improvement, we still need more time to recover from the economic downturn. It is clear that the *Mortgage Forgiveness Tax Relief Act* is still necessary to help aid this recovery.

I am grateful for your sponsorship of this important extension to the *Mortgage Forgiveness Tax Relief Act*, and believe it will help many families regain their financial footing and continue living in their homes. Please let me know if there is anything I can do to assist you in your efforts to extend the *Mortgage Forgiveness Tax Relief Act*.

Sincere regards,

A handwritten signature in blue ink, appearing to read "B. Sandoval", written over a white background.

BRIAN SANDOVAL  
Governor