

Buying A Home?

Save Up to \$2,000 a Year on Your Income Taxes



If you are buying a home, a Mortgage Credit Certificate (MCC) can put money in your pocket and make your mortgage payment more affordable. An MCC allows you to take a direct tax credit for a portion of your mortgage interest for the life of the mortgage.

The MCC allows eligible buyers to take a federal tax credit of up to 35 percent of the mortgage interest you pay annually. It can save you up to \$2,000 each year that you occupy your new home. The MCC can be used with the new \$8,000 federal tax credit, until that credit expires the end of November 2009.

Because the MCC is an immediate tax credit, you can change the withholding allowances on your W4 to reflect your decreased tax liability and increase your monthly take-home pay.

Who is Eligible?

To be eligible for the MCC, you must be approved for a mortgage and meet certain requirements, including:

- ♦ Purchase a home within Fort Bend County, Texas
- ♦ Cannot exceed the Maximum Income - \$76,560 for 1-2 Occupants and \$89,320 for 3 or More Occupants
- ♦ Cannot exceed the Home Sales Price Limit of \$316,177

How Does the MCC Work?

If you borrow \$120,000 at 5.5 percent interest, you will pay approximately \$6,600 in interest the first 12 months of your mortgage. With a 35 percent MCC, you can reduce your federal income tax liability by \$2,000 for that year, allowing you to reduce your monthly tax withholding by \$166.67. In addition, the MCC can also help you qualify for more. Over the first 10 years of ownership, you would save approximately \$21,700 in federal taxes. And if you purchase your home by December 1, 2009, the \$8,000 federal tax credit can be used in conjunction with the MCC. Like all homeowners, you can also claim an interest deduction on the remaining 65 percent of the interest you pay.

An MCC can be used with almost any fixed-rate first mortgage. The property must be the home buyer's primary residence.

Learn How an MCC Can Help You

For information on the MCC Program, please contact us at 877.983.3792.

