

FOR IMMEDIATE RELEASE  
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## First-Time Home Buyers Can Save Thousands with Mortgage Tax Credit Program

Austin, Texas - June is Homeownership Month so the Texas State Affordable Housing Corporation (TSAHC) would like to remind first-time home buyers to take advantage of TSAHC's Mortgage Credit Certificate (MCC) Program when purchasing their first home. The MCC Program is a tax credit that gives eligible first-time home buyers the ability to save up to \$2,000 each year on their income taxes.

Specifically, an MCC allows first-time buyers to take 40 percent of their annual mortgage interest (up to a maximum \$2,000) as a tax credit, reducing potential federal income tax liability. A tax credit, as opposed to a deduction, provides a dollar-for-dollar reduction in the amount of tax owed.

### Here's an example:

- On a \$125,000 mortgage with an interest rate of 4.50%, a first-time home buyer would pay approximately \$5,625 in interest the first year.
- The MCC would allow them to take a federal income tax credit of \$2,000 (max allowed) for that year.
- The home buyer can still claim a mortgage interest deduction for the remaining amount of the mortgage interest paid (\$3,625 in this example).

In addition, home buyers:

- Must be first-time buyers or not have owned a home in the past three years.
- Must be purchasing a home in Texas as a principal residence.
- Must fall within certain income limits, determined by county and household size.
- Will get the MCC tax benefit for as long as they live in their home.
- Can combine TSAHC's MCC and down payment assistance grant programs.
- Can receive a FREE MCC if eligible for down payment assistance through TSAHC's **Homes for Texas Heroes Program**.

"We highly encourage home buyers looking for their first home to ask their Texas REALTOR® or lender about TSAHC's MCC Program," said TSAHC President David Long. "This program might be the housing industry's best kept secret and coupled with our down payment assistance grant, an MCC can provide first-time home buyers with thousands of dollars in savings."

Complete information on TSAHC's home buyer programs, including income limits and an eligibility quiz for home buyers, can be found by visiting [www.readytobuyatexashome.com](http://www.readytobuyatexashome.com).

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***About Texas State Affordable Housing Corporation***

*The Texas State Affordable Housing Corporation (TSAHC) is a statewide non-profit organization created at the direction of the Texas Legislature to serve the housing needs of low-income Texans and other underserved populations who do not have comparable housing options through conventional financial channels. For more information, please visit [www.tsahc.org](http://www.tsahc.org).*