

Undermining Aspiring and Current Home Owners

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Discussions among Washington policymakers and pundits about whether the mortgage interest deduction should be sacrificed in the name of deficit reduction are irresponsible and undermining an already fragile housing market.

With mortgage interest rates near historic lows and housing affordability at or near record levels in many markets, now is the time that young families should be looking to enter the housing market. Yet, these policy talks alone are fueling uncertainty and standing in the way of a full-fledged housing recovery.

Prospective buyers who are counting on the benefits of the mortgage interest deduction to lower the net monthly cost of their mortgage payments remain hesitant since they can't be sure the deduction will be there when they need it. Contrary to claims that the mortgage interest deduction primarily benefits the wealthy, the biggest beneficiaries are younger households, who typically have large mortgages, smaller savings and growing families.

This is not just an issue affecting entry-level buyers. Tampering with the mortgage interest deduction raises the prospect of a big tax increase on millions of existing home owners, many of whom continue to stay current with their mortgage payments even as they struggle to make ends meet. Eliminating or curtailing the deduction would place more downward pressure on home prices, which would place more home owners underwater, spur more foreclosures and act as a further drag on the housing and economic recovery.

To find out more about the importance of preserving the mortgage interest deduction as a cornerstone of American housing policy, readers can log on to www.SaveMyMID.com. The website contains fact sheets and frequently asked questions and allows consumers to remain engaged and make sure their opinions on this issue are heard by their member of Congress.

Save Your Mortgage Interest Deduction!

A resolution that supports retaining the mortgage interest deduction is pending in the U.S. House of Representatives. Introduced by Rep. Gary Miller of California, H. Res. 25 states that "the current Federal income tax deduction for interest paid on debt secured by a first or second home should not be further restricted."

At present, there are more than 170 co-sponsors for this important resolution. Show YOUR support for the mortgage interest deduction and tell your Representative to co-sponsor H. Res. 25:

- Call the U.S. Capitol switchboard at **(202) 224-3121** to reach your Representative's office.

OR

- Visit **www.house.gov** to find your Representative's website and send an e-mail in support of H. Res. 25.

AND BE SURE TO

- Thank your Representative if he/she is already a co-sponsor of H.Res. 25 or decides to become a co-sponsor.

Stay Connected

Act now! Stay informed and be heard by those who are making decisions about your mortgage interest deduction.

More information: **www.SaveMyMID.com**

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