

MCC tax credits



MORTGAGE CREDIT CERTIFICATES = TAX SAVINGS

AHFA's Mortgage Credit Certificate (MCC) program reduces the amount of federal income tax homebuyers must pay, which in turn increases available income to qualify for a mortgage. An MCC is a dollar-for-dollar tax credit of up to 50 percent of the mortgage interest paid per year, capped at \$2,000 annually. Homebuyers can choose to receive immediate savings, which will increase their monthly take home pay, or choose to receive the credit once a year when filing federal income tax returns.

In order to qualify, borrowers must be a first-time homebuyer or have not owned a home in the last three years, or purchase a home in a "target" area exempt from the first-time homebuyer rule. Homebuyers must also meet federally established income and sales price limits.

Mortgage Credit Certificates can be combined with the Step Up program, a down payment assistance program also offered by AHFA, to give homebuyers even greater purchasing power.

Learn more:

WWW.AHFA.COM

1.800.325.2432

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