

# Mortgage Credit Certificate Program

For First-Time Homebuyers



## What is an MCC?

A mortgage credit certificate (MCC) allows you to claim 25% of the mortgage interest you pay each year as a federal income tax credit, reducing your tax bill by up to \$2,000 year.

## How it Works

### How does an MCC work with my home mortgage?

You will need a mortgage to buy the home. You can combine a low-interest Minnesota Housing mortgage with the MCC.

### How much money can I save with an MCC?

- To benefit from an MCC you must have an income tax liability.
- Savings vary, depending on your loan amount and interest rate. Example:

\$175,000 loan amount at 3.5% interest

**Estimated savings over the life of the loan = \$37,500**

### How long can I use the credit?

You can use the MCC for up to 30 years, or until you refinance, sell the home or move.

### Can I still take the mortgage interest deduction on my income taxes?

Yes, you can deduct the remaining 75% of the mortgage interest paid.

### Can I get help with my downpayment?

With a Minnesota Housing home mortgage you can get both an MCC and a Minnesota Housing Monthly Payment Loan with a maximum loan amount of 5% of the purchase price, or \$5,000 (whichever is greater), to cover downpayment/closing costs.

## Next Steps:

- 1 Apply online at [www.MNHomesAndLoans.com](http://www.MNHomesAndLoans.com) or call (651) 552-3681
- 2 Apply for a home mortgage.
- 3 Ask your loan officer if you qualify for the MCC Program.

The MCC Program is available for loans that close on or before December 31, 2014, or until funds are exhausted. Funding is based on a first-come, first-served basis. Interest RATE on First Mortgage is higher when using this MCC



Save up to  
**\$2,000/year**  
on your taxes!

### To be eligible, you must:

- Qualify for a home mortgage
- Be a first-time homebuyer (or have not owned a home in three years)
- Plan to live in the home
- Meet income limits (see below)
- Meet all other MCC Program requirements

### Current Income Limits

Household Size	11-County Metro Area	Rochester MSA	Balance of State
1-2 Person	\$83,900	\$81,300	\$73,900
3+ Person	\$96,485	\$93,495	\$84,985

