Real Estate Facts Column

**Homeowners can save this tax season**

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***(470 Words)***

As the deadline to file taxes begins to approach, **[full name of your association]** wants to remind homeowners of the many tax benefits, savings and deductions they can take advantage of simply by being homeowners.

“There are many social and personal benefits of owning a home, but some of the most significant financial benefits only become apparent at tax time,” said **[full name and title of your local spokesperson]**. “Many new homeowners, and even those who have owned their home for years, may be unaware of some of the fantastic tax breaks that come with owning a home.”

Here are some deductions, credits and tips of which many homeowners may not be aware:

**Mortgage interest deduction. “**If you took out a loan to pay for your primary or a secondary home, you can deduct the interest paid on your mortgage up to $1 million,” said **[Last** **name of your local spokesperson]**. “These savings can add up very quickly.”

**Property tax deductions.** A large part of a homeowner’s monthly loan payments is taxes, which can be deducted annually. “If you bought your home during this tax year, remember to pull out the settlement sheet you received at closing for more tax deduction data,” **said [last name of your local spokesperson]**. **“**When you purchased the property from the seller, the year's tax payments were divided so that you were responsible for paying the taxes during the portion the year you owned the home; and your share of those taxes is deductible.”

## Energy efficiency tax credit. This provision allows homeowners to claim a tax credit (or a dollar-for-dollar reduction in taxes) of up to 10 percent of the amount spent, up to $500, for many green improvements done to their home that year. “If you installed energy-efficient windows or solar panels in your home, make sure that is reflected in your tax returns,” said [Last name of your local spokesperson].

**Home improvements. When it comes to taxes, home improvement expenses are not something homeowners can generally deduct on their taxes. However, improvements done to meet a medical need can be deducted. “If you installed a wheelchair ramp or added handrails, you can deduct these projects as medical expenses,” said [last name of your local spokesperson]**. “Still, you cannot deduct the entire cost of the equipment or renovation, only the amount left over when the added value to the home is subtracted from the cost of the improvement. Also, be prepared to document that the improvement is medically necessary by having at least one letter from a physician stating the need.”

To find a Realtor® to learn more about homeownership and it’s tax breaks, contact **[Insert name of association]** or visit [**Insert association website, if applicable. If not use, www.realtor.com/GetRealtor].**