

# MORTGAGE CREDIT CERTIFICATE (MCC)

## REQUEST FOR ISSUANCE:

### Tax Credit Criteria:

- Federal Income tax credit only - not a State income tax credit
- 20% of mortgage interest paid converts to a federal tax credit
- Remaining 80% of mortgage interest remains an eligible itemized deduction
- Maximum annual credit \$2,000
- Not a "refundable" tax credit - unused credit can carry forward up to 3 years

### Borrower and Property Eligibility Criteria:

- [Income and purchase price limits](#)
- First-time homebuyer(s); waived for targeted area or for eligible veterans
- Home must be primary residence to claim credit
- No asset limitations
- Single Family home, townhouse, or condominium
- Manufactured homes, with or without land
- Limit of 15% use for Business
- For new construction only, land limited to 35% of value of property unless on public water or sewer.

### Loan Criteria:

- Buy or build
- Interest rate and loan term set by lender
- IRS Recapture potential

### Underwriting Criteria:

- Set by lender

### Down Payment Sources:

- Any source, other than the seller, that is approved by the lender

### Mortgage Insurance Information:

- Set by lender

### Reservation Process:

- Lender on Line or via fax
- 180 days reservation limit for either new or existing homes