

T15-0229

Benefits from Mortgage Interest Deduction and 15 Percent Non-refundable Credit, 2016 ¹

Expanded Cash Income Level (thousands of 2015 dollars) ²	Tax Units (thousands)	Tax Units with Mortgage Interest		Current Mortgage Interest Deduction						15 Percent Non-refundable Credit					
				Tax Units with Benefit ³		Average Benefit (dollars)				Tax Units with Benefit ³		Average Benefit (dollars)			
						Current Law Limits ⁴		\$500,000 Limit ⁵				Current Law Limits		\$500,000 Limit	
		Number (thousands)	Percent Within Class	Number (thousands)	Percent Within Class	All Tax Units	Tax Units With Benefit	All Tax Units	Tax Units With Benefit	Number (thousands)	Percent Within Class	All Tax Units	Tax Units With Benefit	All Tax Units	Tax Units With Benefit
Less than 10	14,724	678	4.6	*	**	**	**	**	**	3	0.0	**	94	**	94
10-20	26,039	1,588	6.1	147	0.6	1	178	1	178	336	1.3	3	226	3	226
20-30	21,906	2,363	10.8	335	1.5	6	370	6	370	741	3.4	13	378	13	378
30-40	16,072	3,374	21.0	767	4.8	20	417	20	417	1,625	10.1	42	412	42	412
40-50	13,205	3,713	28.1	1,170	8.9	47	528	46	524	2,393	18.1	90	496	90	495
50-75	23,789	9,330	39.2	3,915	16.5	137	831	136	827	7,558	31.8	195	612	194	612
75-100	15,880	8,708	54.8	4,527	28.5	330	1,159	323	1,134	8,086	50.9	400	786	394	775
100-125	10,817	6,822	63.1	4,155	38.4	501	1,305	491	1,277	6,822	63.1	587	955	579	941
125-150	7,442	5,109	68.7	3,812	51.2	774	1,510	756	1,476	5,109	68.7	769	1,136	755	1,115
150-175	5,221	3,714	71.1	3,133	60.0	1,109	1,848	1,077	1,795	3,714	71.1	892	1,272	867	1,235
175-200	3,785	2,842	75.1	2,591	68.5	1,492	2,179	1,436	2,097	2,842	75.1	1,075	1,441	1,034	1,386
200-500	10,362	8,090	78.1	7,718	74.5	2,584	3,470	2,359	3,168	7,990	77.1	1,402	1,819	1,288	1,670
500-1,000	1,317	1,033	78.4	995	75.6	4,933	6,525	3,924	5,191	1,016	77.1	2,184	2,831	1,741	2,257
More than 1,000	705	456	64.7	429	60.8	5,374	8,835	3,790	6,245	446	63.2	2,276	3,601	1,628	2,575
All	172,532	57,872	33.5	33,694	19.5	401	2,056	369	1,892	48,368	28.0	307	1,096	291	1,038
Addendum															
Less than 50	91,946	11,716	12.7	2,419	2.6	12	450	12	448	5,098	5.5	24	437	24	436
50 - 125	50,486	24,860	49.2	12,597	25.0	276	1,105	271	1,086	22,466	44.5	343	788	339	779
More than 125	28,832	21,244	73.7	18,678	64.8	1,882	2,905	1,698	2,622	21,117	73.2	1,160	1,630	1,070	1,496

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0515-3).

* Fewer than 0.05

** Insufficient data

(1) Calendar year.

(2) Includes both filing and non-filing units but excludes those that are dependents of other tax units. Tax units with negative cash income are excluded from the lowest income class but are included in the totals. For a description of cash income, see <http://www.taxpolicycenter.org/TaxModel/income.cfm>

(3) Includes tax units with a change in federal tax burden of \$10 or more in absolute value. Estimates are static and do not assume that taxpayers would adjust their investment portfolio and pay down their mortgage balance if their tax benefit from mortgage interest was reduced.

(4) Interest would be eligible subject to current law limits (\$1,000,000 of debt on a primary residence or second home, and \$100,000 in home equity loans).

(5) Interest would be eligible up to a maximum of \$500,000 of debt on a primary residence, second home, and/or a home equity loan.