

**T13-0156**  
**Benefits from Mortgage Interest Deduction, 15 Percent Non-Refundable Credit, and 20 Percent Non-Refundable Credit on the First \$250,000 of Debt, 2015**<sup>1</sup>  
**Baseline: Current Law**

Cash Income Level (thousands of 2012 dollars) <sup>2</sup>	Tax Units (thousands)	Current Mortgage Interest Deduction				Proposal: 15 Percent Non-Refundable Credit <sup>4</sup>				Proposal: 20 Percent Non-Refundable Credit <sup>4</sup>			
		Tax Units with Benefit <sup>3</sup>		Average Benefit (dollars)		Tax Units with Benefit <sup>3</sup>		Average Benefit (dollars)		Tax Units with Benefit <sup>3</sup>		Average Benefit (dollars)	
		Number	Percent	All Tax	Tax Units	Number	Percent	All Tax	Tax Units	Number	Percent	All Tax	Tax Units
		(thousands)	Within Class	Units	With Benefit	(thousands)	Within Class	Units	With Benefit	(thousands)	Within Class	Units	With Benefit
<b>Less than 10</b>	12,689	**	*	**	**	1	*	**	**	1	*	**	**
<b>10-20</b>	22,829	243	1.1	3	275	1,012	4.4	9	204	1,012	4.4	10	232
<b>20-30</b>	19,028	726	3.8	21	545	2,248	11.8	47	397	2,248	11.8	56	476
<b>30-40</b>	17,708	1,528	8.6	59	688	4,511	25.5	120	470	4,511	25.5	151	591
<b>40-50</b>	14,571	2,442	16.8	139	830	5,260	36.1	228	632	5,260	36.1	292	808
<b>50-75</b>	26,865	7,957	29.6	348	1,177	13,771	51.3	418	816	13,771	51.3	546	1,066
<b>75-100</b>	15,478	7,286	47.1	692	1,469	9,560	61.8	694	1,123	9,560	61.8	922	1,492
<b>100-125</b>	11,086	6,480	58.5	1,062	1,818	7,243	65.3	824	1,262	7,243	65.3	1,102	1,688
<b>125-150</b>	6,766	4,536	67.0	1,739	2,594	4,750	70.2	953	1,358	4,750	70.2	1,281	1,825
<b>150-175</b>	2,616	1,816	69.4	2,095	3,019	1,826	69.8	1,001	1,434	1,826	69.8	1,346	1,929
<b>175-200</b>	1,380	962	69.7	2,108	3,022	929	67.3	919	1,366	929	67.3	1,243	1,847
<b>200-500</b>	5,910	3,986	67.4	3,217	4,771	3,530	59.7	908	1,520	3,530	59.7	1,223	2,048
<b>500-1,000</b>	854	477	55.9	3,989	7,141	348	40.8	658	1,613	348	40.8	883	2,165
<b>More than 1,000</b>	567	195	34.5	3,038	8,816	130	22.9	359	1,570	130	22.9	482	2,110
<b>All</b>	160,282	38,634	24.1	497	2,063	55,118	34.4	338	982	55,118	34.4	446	1,298

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0412-8).

\* Less 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.

(4) Proposal would limit the credit to the first \$250,000 of debt on a primary home, a second home, and/or a home equity loan. Estimates assume that taxpayers would adjust their investment portfolio and pay down their mortgage balance if their tax benefit from mortgage interest were reduced.