

**T13-0157**  
**Benefits from Mortgage Interest Deduction, 15 Percent Non-Refundable Credit, and 20 Percent Non-Refundable Credit on the First \$750,000 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
Less than 10	12,689	**	*	**	**	1	*	**	**	1	*	**	**
10-20	22,829	243	1.1	3	275	1,012	4.4	9	204	1,012	4.4	10	232
20-30	19,028	726	3.8	21	545	2,248	11.8	47	399	2,248	11.8	56	476
30-40	17,708	1,528	8.6	59	688	4,511	25.5	122	479	4,511	25.5	152	597
40-50	14,571	2,442	16.8	139	830	5,260	36.1	238	658	5,260	36.1	300	830
50-75	26,865	7,957	29.6	348	1,177	13,774	51.3	446	871	13,774	51.3	579	1,129
75-100	15,478	7,286	47.1	692	1,469	9,562	61.8	788	1,275	9,562	61.8	1,037	1,679
100-125	11,086	6,480	58.5	1,062	1,818	7,248	65.4	983	1,504	7,248	65.4	1,314	2,010
125-150	6,766	4,536	67.0	1,739	2,594	4,750	70.2	1,210	1,724	4,750	70.2	1,626	2,317
150-175	2,616	1,816	69.4	2,095	3,019	1,826	69.8	1,321	1,892	1,826	69.8	1,780	2,549
175-200	1,380	962	69.7	2,108	3,022	929	67.3	1,250	1,856	929	67.3	1,691	2,512
200-500	5,910	3,986	67.4	3,217	4,771	3,534	59.8	1,419	2,374	3,534	59.8	1,916	3,204
500-1,000	854	477	55.9	3,989	7,141	350	41.0	1,294	3,160	350	41.0	1,742	4,252
More than 1,000	567	195	34.5	3,038	8,816	136	24.0	784	3,266	136	24.0	1,064	4,431
All	160,282	38,634	24.1	497	2,063	55,141	34.4	406	1,181	55,141	34.4	536	1,558

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 \$750,000 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.