

Can a Mortgage Credit Certificate really save first-time home buyers and military veterans up to \$2,000 on their tax liability every year? It sure can! Learn more about this money saving tool below.

# 101 SERIES

## MORTGAGE CREDIT CERTIFICATE

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North Carolina Housing Finance Agency

#### What is a Mortgage Credit Certificate (MCC)?

The MCC enables eligible first-time buyers and military veterans to save up to \$2,000 annually on their federal taxes. Qualified buyers can claim a federal tax credit for 30% of the interest paid on an existing home (50% on new construction). By reducing your federal income tax liability if you have one, the MCC leaves more money in your pocket to use toward your mortgage. The NC Housing Finance Agency administers the Mortgage Credit Certificate for North Carolina through participating lenders statewide.

#### How Does it Work?

If you are eligible, your lender will reserve an MCC when you are qualified for a home loan.

If you have a federal tax liability, you will get more money back with your tax return by using this tax credit.

You don't have to wait until tax time to reap the benefits—you can adjust your W-4 to increase your take-home pay throughout the year.

#### Am I Eligible?

- ✓ Be a first-time home buyer or a qualified military veteran
- ✓ Meet certain income limits
- ✓ Meet certain sales price limits

#### How Long Do I Keep the Tax Credit?

When you obtain an MCC, the tax benefits are yours for the life of the loan. That means if you have a 30 year loan, you can enjoy the tax benefits for 30 years, as long as you have a tax liability and continue to live in the home as your primary residence.

## WANT TO LEARN MORE ABOUT MORTGAGE CREDIT CERTIFICATE?

Contact one of our participating lenders about the Mortgage Credit Certificate to see if you qualify.

Learn more at

<https://www.nchfa.com/news/mortgage-credit-certificate-101>



Think home ownership is out of your league?  
**THINK AGAIN.**  
See if you are eligible and learn more at  
[www.nchomeadvantagemortgage.com](http://www.nchomeadvantagemortgage.com)



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