SENATE DOCKET, NO. 667 FILED ON: 1/20/2011

SENATE . . . . . No. 1537

The Commonwealth of Massachusetts

PRESENTED BY:

Bruce E. Tarr

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the passage of the accompanying:

An Act creating a private mortgage insurance tax deduction..

PETITION OF:

NAME:	DISTRICT/ADDRESS:
Bruce E. Tarr	☐ *[District]* ☐
Richard J. Ross	*Norfolk, Bristol, and Middlesex*
Ann-Margaret Ferrante	*5th Essex*

SENATE DOCKET, NO. 667 FILED ON: 1/20/2011

SENATE . . . . . No. 1537

By Mr. Tarr, a petition (accompanied by bill, Senate, No. 1537) of Bruce E. Tarr, Richard J. Ross and Ann-Margaret Ferrante for legislation to create a private mortgate insurance tax deduction. Revenue.

[SIMILAR MATTER FILED IN PREVIOUS SESSION
SEE
SENATE
, NO. *1371* OF 2009-2010.]

The Commonwealth of Massachusetts

An Act creating a private mortgage insurance tax deduction..

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

SECTION 1. Paragraph (a) of Part B of section 3 of chapter 62 of the General Laws, as appearing in the 2008 official edition, is hereby amended by inserting after subparagraph (15) the following new subparagraph:-

(16) (a) An amount equal to premiums paid or accrued for qualified mortgage insurance by the taxpayer during the taxable year in connection with acquisition indebtedness with respect to a primary residence.

(b) The amount under clause (a) shall be reduced (but not below zero) by 10 percent of such amount for each $1,000 that a persons adjusted gross income for the taxable year exceeds $100,000.

(c) Clause (a) shall not apply with respect to any mortgage insurance contracts issued before January 1, 2007.

Section 2. Section 1 of chapter 62 of the General Laws, as so appearing, is hereby amended by inserting after paragraph (o) the following new paragraph:-

(p) “Qualified mortgage insurance,” shall mean private mortgage insurance, as defined within 12 U.S.C. 4901, or commonly referred to as insurance that reimburses a mortgage lender

16 if the buyer defaults on the loan and the foreclosure sale price is less than the amount owed the
17 lender.