

SENATE No. 1581

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 adoption of the accompanying bill:

An Act creating a private mortgage insurance tax deduction.

PETITION OF:

NAME:	DISTRICT/ADDRESS:
<i>Bruce E. Tarr</i>	<i>First Essex and Middlesex</i>
<i>Viriato M. deMacedo</i>	<i>Plymouth and Barnstable</i>
<i>Robert L. Hedlund</i>	<i>Plymouth and Norfolk</i>
<i>Donald F. Humason, Jr.</i>	<i>Second Hampden and Hampshire</i>

SENATE No. 1581

By Mr. Tarr, a petition (accompanied by bill, Senate, No. 1581) of Bruce E. Tarr, Viriato M. deMacedo, Robert L. Hedlund and Donald F. Humason, Jr. for legislation to create a private mortgage insurance tax deduction. Revenue.

[SIMILAR MATTER FILED IN PREVIOUS SESSION
SEE SENATE, NO. 1425 OF 2013-2014.]

The Commonwealth of Massachusetts

**In the One Hundred and Eighty-Ninth General Court
(2015-2016)**

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:

1 SECTION 1. Paragraph (a) of Part B of Section 3 of chapter 62 of the General Laws, as
2 appearing in the 2014 Official Edition, is hereby amended by inserting after subparagraph (17)
3 the following new subparagraph:-

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

7 (b) The amount under clause (a) shall be reduced (but not below zero) by 10 percent of
8 such amount for each \$1,000 that a persons adjusted gross income for the taxable year exceeds
9 \$100,000.

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

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

14 (s) "Qualified mortgage insurance," shall mean private mortgage insurance, as defined
15 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.