



Mortgage Credit Certificate Tax Credit Worksheet

Section A. Lender completes this section for borrowers eligible for 30% credit

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|--|------------|
| 1. Mortgage loan amount | \$ _____ |
| 2. Interest rate | _____ % |
| 3. Establish first year's interest by amortizing the loan for one year | \$ _____ |
| 4. Mortgage credit rate | _____ 30 % |
| 5. Tax credit equals 30% of the first year's interest | \$ _____ |
| 6. The monthly benefit is calculated by dividing the tax credit by 12 months | \$ _____ |

Section B. Example for completing Section A.

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|---|------------------------|
| 1. Mortgage loan amount | \$ <u>127,400.00</u> |
| 2. Interest rate | _____ <u>5.00%</u> |
| 3. First year's interest amortized (\$127,400 x 5%) | \$ <u>6,370.00 (e)</u> |
| 4. Mortgage credit rate | _____ <u>30%</u> |
| 5. Tax credit (\$6,370 x 30%) | \$ <u>1,911.00 (e)</u> |
| 6. The monthly benefit (\$1,911.00 ÷ 12) | \$ <u>159.00</u> |

* Review federal income tax return to verify sufficient liability.