

U.S. Rep. Kind: Introduces bipartisan bill to provide relief for middle-class homebuyers

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Washington, DC – Today, **Reps. Ron Kind (D-WI)** and **Vern Buchanan (R-FL)** introduced bipartisan legislation to expand eligibility for and make permanent a deduction for mortgage insurance premium payments. This deduction has helped millions of hard-working middle-class families across the country purchase a home, and making it permanent would provide much-needed relief.

To qualify for a mortgage loan, taxpayers who purchase or refinance their home with a down payment of less than 20% are typically required to have mortgage insurance and pay premiums for this insurance. More than 80% of first-time homebuyers use low down payment mortgages with some form of mortgage insurance. In 2006, Congress enacted legislation allowing a deduction for these mortgage insurance premium payments and although this provision has been extended due to its importance to middle-class homeowners, it currently remains temporary.

“Making this deduction on mortgage insurance premium payments permanent and giving hard-working Wisconsin families some breathing room is long overdue,” said **Rep. Ron Kind**. “I’m proud to introduce this bipartisan legislation to make sure we stop kicking the can down the road on this important deduction.”

“At a time when many Americans are still struggling to recover economically, this legislation will provide much-needed relief to millions of low-and middle-income families in Florida and across the country looking to purchase a home,” said **Rep. Vern Buchanan**. “I look forward to working with Rep. Kind to make this important tax break permanent and ensuring that the goal of homeownership is still attainable for working-class families.”

“Making permanent the ability of homeowners to deduct mortgage insurance premiums from federal income taxes and doing so in a way that makes this important tax deduction available to more hard-working middle-class families, is smart public policy that benefits potentially millions of existing homeowners. Low down payment mortgages have proven critical for millions of low- and moderate-income, first-time, and minority borrowers to buy a home sooner, secure financial stability, and build intergenerational wealth,” said **U.S. Mortgage Insurers**.

The deduction for mortgage insurance premium payments is limited to taxpayers under certain income levels and begins to phase out at adjusted gross income of \$100,000 for joint filers and half that for married individuals filing separately. According to the latest IRS data, almost 2.3 million Americans claimed the deduction for mortgage insurance premiums in one year and making it permanent would help ensure certainty for homebuyers.

Read the bipartisan bill [here](#).