

SENATE No. 1788

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:

Bruce E. Tarr

DISTRICT/ADDRESS:

First Essex and Middlesex

SENATE No. 1788

By Mr. Tarr, a petition (accompanied by bill, Senate, No. 1788) of Bruce E. Tarr for legislation to create a private mortgage insurance tax deduction. Revenue.

[SIMILAR MATTER FILED IN PREVIOUS SESSION
SEE SENATE, NO. 1645 OF 2017-2018.]

The Commonwealth of Massachusetts

**In the One Hundred and Ninety-First General Court
(2019-2020)**

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 is
2 hereby amended by inserting after subparagraph (19) the following new subparagraph:-

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

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

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

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

13 (s) “Qualified mortgage insurance,” shall mean private mortgage insurance, as defined
14 within 12 U.S.C. 4901, or commonly referred to as insurance that reimburses a mortgage lender
15 if the buyer defaults on the loan and the foreclosure sale price is less than the amount owed the
16 lender.