CALL-FOR-ACTION

H.R. 1, Congressional "Tax Reform" Bill
Dramatically Weakens Homeownership Incentives

Act Now! We're Almost Out of Time!

C.A.R. and NAR are STRONGLY OPPOSING H.R. 1, the Congressional "Tax Reform" Bill, that was released last week. C.A.R. opposes the proposal because it dramatically weakens the tax code incentives for homeownership.

Please Act Now! Call Congress and Get Others to Make the Call Too!

ACTION ITEMS

1. **Ask your Representative to OPPOSE this reform proposal because it dramatically weakens tax incentives for owning a home**.

Call 1-800-278-3615

Enter Your PIN: NRDS ID or the PIN number below followed by the # sign to be connected to your Member of Congress's office.

Call from 6:00 AM to 2:00 PM Pacific Time Weekdays

When staff answers the phone, you can use the following script: "Hi, this is (insert your name). I'm a constituent and a REALTOR®. Please ask my Representative to OPPOSE H.R. 1 and ANY tax reform proposal that WEAKENS THE INCENTIVE TO OWN HOMES."

		PIN	Twitter Handle
Adam	Schiff	2028	@RepAdamSchiff
Jimmy	Gomez	2034	@RepJimmyGomez

2. **ASK THE AGENTS IN YOUR OFFICE TO CALL TOO! They can use their own NRDS number or the PIN numbers above.**

C.A.R. OPPOSES H.R. 1, Congressional "Tax Reform" Bill Because:

We must reverse the decline in California's homeownership rate. For over 100 years Congress has incentivized homeownership with the tax code; currently through the mortgage interest deduction. Any effort at reforming the tax code should maintain and prioritize this incentive. The current proposal only pays lip service to incentivizing homeownership. The proposed changes will result in only top earners itemizing their deductions. Therefore, the vast majority of people will no longer receive any tax incentive to purchase a home. So, while the proposal keeps the mortgage interest deduction, the incentive effect of the deduction for Americans to become homeowners ***disappears***.

H.R. 1, Congressional "Tax Reform" Bill weakens the mortgage interest deduction.

- It caps the mortgage interest deduction to the interest on a mortgage principal of $500,000.
- Homeowners would no longer be able to deduct the interest they pay on home equity loans.
- The deductibility would be eliminated for second homes and limited to loans on a family's primary residence.

Families build wealth through homeownership. According to a report by the Federal Reserve in 2016, homeowners amassed wealth at a greater rate than renters. Renters had a median net worth of $5,200 while homeowners had a net worth of $231,400.

H.R. 1, Congressional "Tax Reform" Bill Disproportionately Hurts Californians. California is already a "donor" state, paying more in tax revenues to the federal government than it gets back. As a matter of fact, California ranks 42nd out of 50 states in the amount of federal spending per capita in the state. Now, without being able to fully deduct their state and local taxes, Californians will shoulder even more of the federal tax burden.

Here's What Else H.R. 1, Congressional "Tax Reform" Bill Does:

- Taxpayers won't be able to deduct their student loan interest.
- Medical expenses won't be deductible.
- Many small businesses won't benefit. A lot of small businesses that are classified as professional service providers, won't be able to get the lower corporate tax rate.

For More Information

Contact Sean Bellach at seanb@car.org.