

# GSFA MCC®

## Mortgage Credit Certificate

Tax Credit for First-time homebuyers

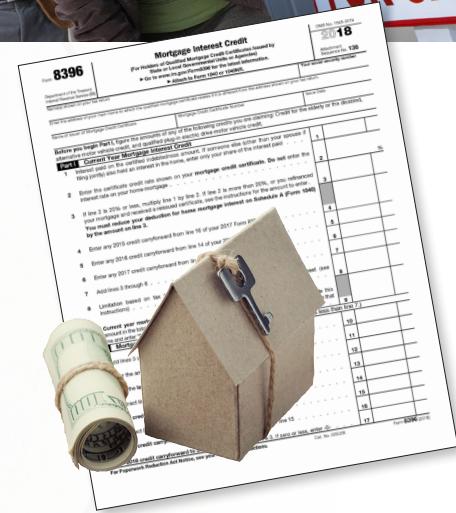
**Apply for an MCC at the same time you buy a home.  
-- It can mean thousands of dollars back each year.**

If you are buying your first home, a Mortgage Credit Certificate (MCC) from Golden State Finance Authority could **save you thousands of dollars each year**. An MCC is a dollar-for-dollar credit against your federal income tax liability.

- The credit equals 20% of the annual mortgage interest paid.

Example: On a \$200,000 mortgage loan with a 4.50% interest rate, the annual interest from January through December would be \$9,000. Which means the GSFA MCC Tax Credit equals \$1,800. (20% of \$9,000).

- The remaining 80% of the mortgage interest continues to qualify as a tax deduction.
- The tax credit amount also helps increase a homebuyer's disposable income and in-turn assist them when qualifying for the initial mortgage loan.
- The tax credit can be taken year-after-year, as long as the person lives in the home and pays mortgage interest.
- Unused credit can be carried forward up to three years.



## Do You Qualify?

To be eligible for an MCC, the homebuyer and their household must meet certain eligibility criteria:

- Be a first-time homebuyer.**  
Defined as "someone who has not owned a primary residence in the past three years". (Waived if a qualified veteran or the home is in a "target area").
- Use the home as a Primary Residence.**
- Have "Household income" at or below the Program limits.**  
Low-to-moderate income, based on household size.
- The Sales Price of the home does not exceed the Program limits.**
- Apply through a Participating Lender.**  
Homebuyer must receive an MCC Commitment from GSFA prior to closing the mortgage loan.



This brochure contains general program information and is not intended as legal or tax advice. Homebuyers are encouraged to consult with a tax advisor regarding the impact of an MCC on their individual tax liability. Your GSFA MCC Approved Lender can provide you with complete program guidelines and an application.

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