

# SENATE NO. 1830

## **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, as appearing in  
2 the 2004 official edition, is hereby amended by inserting after subparagraph (15) the following new  
3 subparagraph:-

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

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

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

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

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