Tax Benefits of Homeownership

Owning a home is more than just having a roof over your head — it's a pathway to potential financial growth. Among the benefits are tax deductions that can help you maximize savings while enjoying the rewards of homeownership.

Mortgage Interest Deduction

The IRS lets homeowners deduct the interest paid on up to $375,000 of mortgage debt for a primary or secondary residence. For married couples filing jointly, the limit is $750,000.

Property Tax Deduction

This tax benefit allows homeowners to reduce taxable income by deducting state and local property taxes paid on a primary or secondary home. The total deduction is capped at $5,000 for individuals or $10,000 for married couples filing jointly.

Mortgage Points Deduction

With some exceptions, homeowners can deduct points paid at closing. Depending on your circumstance, the points may be deducted in the year they're paid or gradually over the life of the loan.

Home Office Deduction

Self-employed homeowners who use part of their home exclusively for business purposes on a regular basis may be able to deduct work-related expenses.

For more detailed information, consult a tax professional.