Senate tax plan revealed: what it means for real estate

Republicans in the U.S. Senate released details of their own plan for tax reform, and they differ from both the current tax system and the House-led tax reform bill in significant ways, especially for real estate. Here are some of the big changes proposed by Senate Republicans in their tax reform bill, according to a summary released by the GOP-led Senate Finance Committee (via news website Axios). The House of Representatives and Senate will now have to reconcile their two differing bills before any tax reform bill can be passed into law. Mortgage interest deduction preserved The Senate plan preserves the current maximum mortgage interest deduction (MID) for new homes at $1 million (this is the amount you pay in interest on your mortgage debt every year, which you can subtract from your taxes). This differs from the House plan, which reduced the maximum MID you may claim for new homes to $500,000, as CNBC reported. The House plan did keep the $1 million MID in place for curr...

Source: click here