

Buying a home?

Give yourself a raise!

Though paying rent for a home these days is often MORE than the cost of a mortgage payment, it's still not unusual to trade up to a higher monthly total when you purchase your first or a larger home. Fortunately, owning a home can come with tax benefits from the deductibility of most mortgage interest and real estate taxes.

Before you take action, check with your tax preparer. You'll want to be certain that itemizing is more beneficial in your case than claiming standard deductions. If so, you may want to adjust your payroll withholdings. Though this is not really the same as getting a "raise," you will be bringing home more of your real income with each paycheck.

Here's all you need to do. Sit down with your payroll clerk and make the appropriate changes on your "W4" form. As you can see in the image below, you can factor in your interest and real estate tax expenses. Your "withholding allowances" can be adjusted accordingly.

Deductions, Adjustments, and Additional Income Worksheet	
Note: Use this worksheet only if you plan to itemize deductions, claim certain adjustments to income, or have a large amount of nonwage income not subject to withholding.	
1	Enter an estimate of your 201XX itemized deductions. These include qualifying home mortgage interest , charitable contributions, state and local taxes (up to \$10,000) , and medical expenses in excess of 10% of your income. See Pub. 505 for details 1 \$

Raising your allowances means less tax is withheld from your pay. Having more cash from each check as soon as you start making your new house payments can help ease the transition to a higher monthly total.

Some would rather wait for a refund, while others prefer to maximize use of monies as they're earned. Weigh your options with your tax professional, then make the choice that's best for you.

If you have questions about your mortgage loan or if you would like help finding a tax professional, please ask.
I'm happy to help!

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This is not a commitment to make a loan. Loans are subject to borrower qualifications, including income, property evaluation, sufficient equity in the home to meet LTV requirements for refinances, and final credit approval. Approvals are subject to underwriting guidelines, interest rates, and program guidelines, and are subject to change without notice based on applicant's eligibility and market conditions. Geneva Financial LLC is not acting on behalf of or at the direction of HUD/FHA or the Federal Government. Geneva Financial LLC is approved to participate in FHA programs but the products and services performed by Geneva Financial LLC are not coming directly from HUD or FHA. Geneva Financial LLC #42056 is an Equal Opportunity Lender and Equal Housing Lender. 3155 S. Price Road Suite 105 Chandler, AZ 85248 BK#0910215