



An fyi for you

Helpful Real Estate Tax Hints

A Legacy Built on Promises Delivered

10 Most Often Overlooked Real Estate Deductions...

Title Guaranty of Hawaii
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Principal Residence Acquisition Mortgage Fee	If you purchased a home last year and you paid the mortgage lender a loan fee, usually called "points," that "home acquisition mortgage loan fee" is tax deductible as itemized interest on Schedule A of your tax returns.
Home Mortgage Finance Loan Fees	If you refinanced your home loan or obtained another type of real estate loan, any loan fee or points you paid can only be deducted over the life of the mortgage, such as 15 or 30 years.
Un-Deducted Loan Fees	For previously refinanced home, you can deduct any remaining undeducted loan fee in the tax year of the second refinance.
Any Mortgage Prepayment Penalty You Paid	If you paid a pre-payment penalty because you sold or refinanced your home, the pre-payment penalty qualifies as a deductible itemized interest.
Moving Cost	Whether you are a renter or a homeowner, you may qualify for the moving-cost deduction if you changed both your job site and your residence but were not reimbursed for household moving costs.
Casualty Loss	If you suffered a "sudden, unusual or unexpected" loss, such as fire, flood, hurricane, tornado, mudslide, theft, accident, water damage, riot, embezzlement, vandalism and rain, but were not paid by insurance or other reimbursement, you may be able to claim a casualty loss tax deduction.
Prorated <u>Property Tax</u> in Year of Home Sale or Purchase	This deduction is usually paid to the local tax collector as part of the sale closing procedure. Your closing settlement statement should show your prorated property tax share, based on the number of days you owned your home during the tax year.
Prorated <u>Mortgage Interest</u> in the Year of Home Sale or Purchase	If you purchased your home last year and either assumed or purchased "subject to" its existing mortgage, you are entitled to deduct your prorated interest share for the month the sale closed.
Prepaid Property Taxes and Mortgage Interest	If you prepaid your January mortgage payment in late December, be sure your lender received the payment and included it on your IRS Form 1098.
Home on Leased Land	If your home is one of the millions located on leased land, and you have the option to buy that land, your ground rent payments may be deductible as itemized interest.

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*Information deemed reliable, but not guaranteed.

The example in this document is a sample and there are many nuances and deviations from the above sample.

*For personal tax assistance, please contact your Financial Advisor or Accountant.

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