

Chris Polychron, CIPS, CRS, GRI
2015 President

Dale A. Stinton
Chief Executive Officer

**GOVERNMENT AFFAIRS
DIVISION**

Jerry Giovaniello, Senior Vice President
Gary Weaver, Vice President
Joe Ventrone, Vice President
Scott Reiter, Vice President
Jamie Gregory, Deputy Chief Lobbyist

500 New Jersey Ave., NW
Washington, DC 20001-2020
Ph. 202-383-1194 Fax 202-383-7580
www.REALTOR.org

April 22, 2015

United States Senate
Washington, D.C. 20510

Dear Senator:

On behalf of the over one million members of the National Association of REALTORS®, I urge you to cosponsor S. 608, “The Mortgage Forgiveness Tax Relief Act.” This bipartisan legislation, introduced by Finance Committee Members Stabenow, Heller, Menendez, and Isakson, would extend for two years the rule that allows tax relief for homeowners when lenders forgive some portion of mortgage debt they owe. This critical provision, which has helped many thousands of American families, expired at the end of last year. Securing its extension, as this bill would do, is one of the Association’s highest priorities for 2015.

In today’s housing market, which is still recovering from a devastating multi-year decline, there are still too many homeowners who find themselves in foreclosure, completing a short sale, or attempting to have an existing loan restructured. If S. 608 is not enacted, thousands of American families will have to pay income tax on “phantom income.” They will owe tax on money they’ve already lost and will be required to pay that tax at a time of dire hardship, when they are least likely to have the means to pay it. The mortgage tax relief provision protects these homeowners (so long as they meet certain requirements) from facing a tax bill after an economic loss on what, for most, is their most valuable asset.

While the housing market has certainly experienced gains along with the broader economy, recent estimates by the real estate data analytics firm CoreLogic, show that 10 percent of homeowners with mortgages in the U.S. are still “under water.” Demonstrating even further need, the Mortgage Bankers Association estimates there are still nearly one million homes in the process of foreclosure across the nation. This is down from highest point of over 2 million, but far above the 430,000 average from the pre-housing crisis period. In short, it is clear that your legislation is needed now as much as ever.

The National Association of REALTORS® urges you to cosponsor this critical legislation. Thank you, as always for your consideration.

Sincerely,



Chris Polychron
2015 President, National Association of REALTORS®

