NATIONAL ASSOCIATION OF REALTORS®

The Voice For Real Estate®

REALTOR®

500 New Jersey Avenue, N.W.
Washington, DC 20001-2020
202.383.1194 Fax 202.383.7580
www.realtors.org/governmentaffairs

The Honorable Max Baucus, Chairman
Senate Committee on Finance
219 Dirksen Senate Office Building
Washington, DC 20510

Re: Revenue Raisers

Dear Mr. Chairman:

The Administration's FY 2011 budget has again recommended, as did the FY 2010 budget, that the value of the mortgage interest deduction for upper income taxpayers be limited to the 28% bracket. As in the past, the NATIONAL ASSOCIATION OF REALTORS® rejects in the strongest possible terms ANY proposal that would limit the deductions for mortgage interest and real property taxes. Today's housing market, while improving, cannot absorb any negative signals, no matter what the income level of the taxpayer and no matter what market segment of housing might be affected.

You and others pointed out in 2009 that changes to itemized deductions were ill-advised. We share the concerns and the perspective you expressed in your February 26, 2009 press release related to the FY 2010 budget recommendations.

> Some of the reforms and offsets contained or referenced in the budget, such as the limitation on itemized deductions, raise concerns and will require more study as we determine the best policies for getting America back on track.

We note with concern, as well, the proposal that would create different tax rates for capital gains, depending on the income level and filing status of those who receive capital gains income. We find both the complexity and the impact of this proposal troubling, especially as it might affect individuals who will recognize capital gains only on a few occasions over a lifetime.

The NATIONAL ASSOCIATION OF REALTORS® believes that it is simply unacceptable to call on the fragile real estate sector to fund other tax law changes.

Sincerely,

Vicki Cox Golder

Vicki Cox Golder, CRB
2010 President, NATIONAL ASSOCIATION OF REALTORS®