NATIONAL ASSOCIATION OF REALTORS®

REALTOR®

The Voice For Real Estate®

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

Vicki Cox Golder
CRB
President

Dale A. Stinton
CAE, CPA, CMA, RCE
Chief Executive Officer

GOVERNMENT AFFAIRS DIVISION
Jerry Giovaniello, Senior Vice President
Gary Weaver, Vice President
Joe Ventrone, Vice President
Jamie Gregory, Deputy Chief Lobbyist

The Honorable Charlie Rangel, Chairman
House Committee on Ways and Means
1100 Longworth House Office Building
Washington, D. C. 20515

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, as described in a *New York Times* report dated March 10, 2009 (page A-1, above the fold):

> [T]he chairmen of the House and Senate tax-writing committees, Senator Max Baucus of Montana and Representative Charles B. Rangel of New York, have objected to the proposal [to limit itemized deductions]. ... Similar revolts are building against tax changes Obama has proposed, including one to limit deductions that many Democrats privately consider to be a non-starter.

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®