

## 5 Documents You Need to Save Cash at Tax Time

Tax day may seem far away, but if you want to cash in on the real estate-related tax perks of buying this year you need to be sure you've got these five documents on hand.



### 1. Mortgage Interest Statement IRS Form 1098.

The meatiest real estate tax deduction on the books today allows you to deduct 100 percent of the mortgage interest you paid during the tax year. To get this deduction, keep an eye on your mail for Form 1098 from your mortgage lender. This reports how much of that interest you paid.



#### In a rush?

Check your lender's online account management service (likely where you make payments online). Many post 1098s digitally before they send paper copies.

### 2. Uniform Settlement Statement (HUD-1)

If you purchased recently, right after closing you should have received your HUD-1 Settlement Statement.

The data on this form is invaluable during tax time. It details prepaid interest, prorated property taxes, and other potentially deductible fees.

*Hint: The HUD-1 is usually printed on legal-sized paper and shows the credits and debits for buyers or sellers.*

### 3. Moving Expense Receipts.

Moving expenses are tax deductible if your move is closely related to the start of a new job. The rule of thumb: if you moved more than 50 miles to be closer to your new workplace, you could be eligible. Consult your tax pro for details on this credit and be sure to bring your moving receipts.

### 4. Receipts from energy efficient home appliances & improvements.

Under the Non-business Energy Tax Credit, homeowners who make qualifying energy efficient upgrades can claim tax credits.

If you've recently installed energy efficient improvements such as insulation, new windows or other energy savers, you may be able to deduct 10 percent of their cost.

### 5. Mortgage Credit Certificate (MCC).

Homeowners who've purchased in the last few years using a Mortgage Credit Certificate may be entitled to a pretty hefty tax credit.

MCCs apply as long as you live in the home and pay a mortgage on it. But, they only apply to defray taxes you actually owe - you can't use them to get a refund. If you have one, the MCC is a must-have as you start your tax prep.

#### More Tax-Saving Documents

1. Property Tax Statements
2. Home Office Receipts
3. Rental Income/Expense Statements
4. Unreimbursed Work Expense Receipts

If you own a home, it can't hurt get professional help from a tax attorney or certified public accountant to make sure you maximize your deductions and minimize the possibility of an audit.