

|                                                         | Subsidy Design                                                          | Other Limitations/<br>Phase-Outs                                                                                       | Ten-Year Savings<br>Estimate (billions) |
|---------------------------------------------------------|-------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------|-----------------------------------------|
| <b>Current Law</b>                                      | <b>Itemized Deduction</b>                                               | <b>Limited to \$1 Million of Mortgage,<br/>\$100,000 of Home Equity Loans</b>                                          | <b>Value: \$1,010</b>                   |
| <a href="#">Obama's Proposal (2013)</a>                 | Itemized Deduction with<br>28% Rate Limitation                          | Limited to \$1 Million of Mortgage,<br>\$100,000 of Home Equity Loans                                                  | ~\$80<br>(2014-2023)                    |
| <a href="#">Domenici-Rivlin (2010)</a>                  | 15% Refundable Credit                                                   | Limited to \$25,000 of Interest,<br>Disallowed for 2 <sup>nd</sup> Homes                                               | Unknown                                 |
| <a href="#">Simpson-Bowles (2010)</a>                   | 12% Nonrefundable Credit                                                | Limited to 500,000 of Mortgage,<br>Disallowed for 2 <sup>nd</sup> Homes and Equity                                     | ~\$340<br>(2014-2023)                   |
| <a href="#">2005 Tax Reform Panel</a>                   | 15% Refundable Credit                                                   | Limited to 125% of Avg. Local Price,<br>Disallowed for 2 <sup>nd</sup> Homes and Equity                                | Unknown                                 |
| <a href="#">Brookings (2013)</a>                        | 15% Refundable Credit                                                   | Limited to \$300,000 of Mortgage,<br>Inflation-Indexed, Disallowed for 2 <sup>nd</sup><br>Homes and Equity             | \$300<br>(2014-2023)                    |
| <a href="#">Rep. Ellison (D-MN)<br/>Proposal (2013)</a> | 15% Nonrefundable Credit                                                | Limited to \$500,000 of Mortgage,<br>Phased In Over 5 Years                                                            | Unknown                                 |
| <a href="#">Roosevelt Institute<br/>(2011)</a>          | Itemized Deduction                                                      | Limited to \$500,000 of Mortgage,<br>Phased In Over 5 Years and<br>Disallowed for 2 <sup>nd</sup> Homes.               | ~\$85<br>(2014-2023)                    |
| <a href="#">CBO Budget Options<br/>(2011)</a>           | Temporary Itemized<br>Deduction                                         | Limited to \$1 Million of Mortgage<br>Through 2 <sup>nd</sup> Year, Reduced by<br>\$100,000 Each Year Until Phased Out | \$210<br>(2012-2021)                    |
| <a href="#">CBO Budget Options<br/>(2009)</a>           | Itemized Deduction                                                      | Limited to \$500,000 of Mortgage<br>Phased In Between 4 <sup>th</sup> and 10 <sup>th</sup> Year                        | \$40<br>(2010-2019)                     |
| <a href="#">CBO Budget Options<br/>(2009)</a>           | 15% Credit (Refundability<br>Not Specified)                             | Limited to \$500,000 of Mortgage<br>Phased In Between 4 <sup>th</sup> and 10 <sup>th</sup> Year                        | \$390<br>(2010-2019)                    |
| <a href="#">Tax Policy Center<br/>Option (2013)</a>     | Itemized Deduction with<br>20% Rate Limitation and<br>2% Closing Credit | Limited to \$1 Million of Mortgage<br>and \$100,000 of Home Equity Loans                                               | Unknown                                 |

Note: saving generally from current law, measuring over different time periods, and estimated *very roughly*. Cost of add-back relative to blank slate could be roughly understood as the value of the tax expenditure minus the savings from the add-back, however the actual cost will differ – in some cases, significantly.

~ indicates *very rough* CRFB estimates