

Lower Borrowers' Costs with Tax-Deductible MI

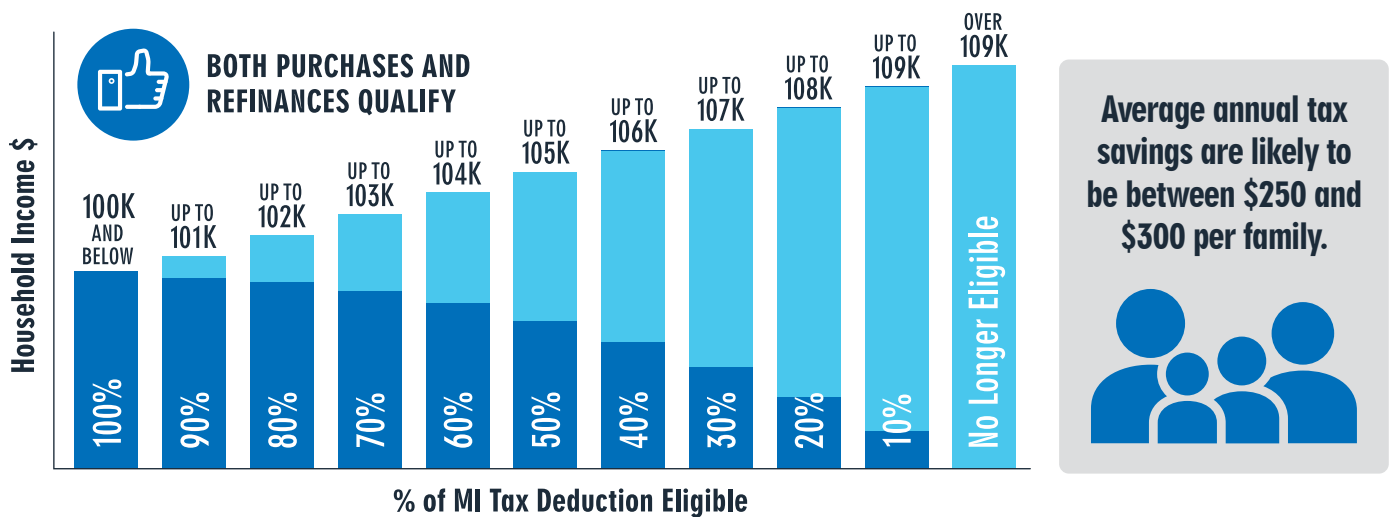
Tax-Deductible MI Plus RateStar: The Right Choice for Borrowers

Congress has extended through Dec. 31, 2021, the mortgage insurance (MI) premium tax deduction for eligible borrowers who itemize for premiums paid through 2021.¹

Use RateStarSM to access Arch MI's most competitive rates and the benefits of tax-deductible MI premiums:

- Lowers the cost of homeownership for new buyers and refi customers.
- Expands borrowers' purchasing power with lower monthly payments.
- Makes it easier for buyers to plan a home purchase with clear deductibility rules.²
- MI is tax-deductible and cancelable, unlike many FHA loans or second liens.

MI TAX DEDUCTION ELIGIBILITY PHASED OUT BY AGI



Learn More about Tax-Deductible MI

- Homeowners with adjusted gross incomes (AGI) below \$100,000 per year may deduct 100% of their MI premiums on their federal tax returns.
- Deductions are phased out by 10% for each \$1,000 a taxpayer's AGI exceeds \$100,000, with a cutoff of any deduction at \$109,000.
- The property must be a principal residence or another residence used for personal purposes by the taxpayer.
- Investor loans are not eligible.

For more information, see our FAQ at archmi.com/MI-Tax-Deductibility or contact your Arch MI Account Manager for more information.

¹ The legislation makes MI premium payments made from Jan. 1, 2021, to Dec. 31, 2021, eligible for the tax deduction when all requirements are met.

² Deduction based on MI premium allowable to that tax year for a qualified mortgage, including prepaid (single) MI. Adjusted Gross Income limit for full deduction is \$50K for persons who are married filing separately, with 10% adjustments every \$500 and no deduction if over \$54,500. See IRS Publication 936. Arch MI cannot give tax advice. Borrowers should consult with their own tax adviser concerning the applicability of this deduction in their particular circumstances under the Internal Revenue Code and the laws of any other taxing jurisdiction.