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## **National Poll Finds Majority of Americans Favor Changes to MID to Fund Affordable Housing, End Homelessness**

A poll commissioned by the National Low Income Housing Coalition finds that while most Americans do favor the mortgage interest deduction, majorities of Americans support proposals to make the tax break more targeted, and more than half want the savings from reform to be used to end homelessness.

The mortgage interest deduction is a tax break for homeownership that will cost the federal government about \$80 billion this year. That is more than twice what the government spends on rental housing for the lowest income Americans. Meanwhile, there is an absolute shortage of 7.1 million rental homes affordable and available to extremely low income households. Experts say this housing shortage is a key reason for America's homelessness problem.

Large numbers of Americans continue to want a tax break on the interest paid on home mortgages. Four out of five people who answered the question (79%) think the mortgage interest deduction is a good idea. However, this support for the MID does not stop majorities from supporting two proposals for changing it to be more targeted. By a margin of 60% to 40%, people favor capping the maximum mortgage for which someone can get a tax break at \$500,000 and the same proportion favor changing the MID to a tax credit that is the same percent for all homeowners who pay mortgage interest, rather than the current deduction that gives a higher percentage to higher income people.

When offered a choice of how the savings from potential mortgage interest deduction reforms could be used, investing that funding in affordable housing to end homelessness found popular support. A majority (53%) says the \$20 billion in savings should be used for reducing the deficit and ending homelessness, while 15% would like to use all of the savings for ending homelessness and 26% would use all of it for deficit reduction.

Three-quarters of the American public thinks we are not doing enough to end homelessness, favor building more affordable housing in their states to help end homelessness, and support funding for federal programs to build new or rehabilitate existing housing that low income people can afford.

The National Low Income Housing Coalition advocates a modest reform to the mortgage interest deduction that would cap mortgages eligible for a tax break at \$500,000 and convert the deduction into a 15% credit. This proposal would save the federal government almost \$20 billion each year; NLIHC proposes investing these savings into the National Housing Trust Fund to build, preserve, rehabilitate, and maintain rental housing affordable to the lowest income renters. The National Housing Trust Fund was signed into law in 2008 but has never been funded.

“The third rail of American politics has lost its power,” said Sheila Crowley, President and CEO of the National Low Income Housing Coalition. “The American people are telling us it is time to focus federal housing policy on ensuring that everyone has a decent place to live, even the poorest of the poor.”

The poll of 802 adults was conducted by Belden Russonello Strategies between Feb. 27 and Mar. 9. The margin of sampling error is  $\pm 3.5$  percentage points.

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Established in 1974 by Cushing N. Dolbeare, the National Low Income Housing Coalition is dedicated solely to achieving socially just public policy that assures people with the lowest incomes in the United States have affordable and decent homes.

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