

119TH CONGRESS
2D SESSION

H. R. 9555

To amend the Internal Revenue Code of 1986 to allow a credit against tax for qualified residence interest paid or accrued during the taxable year, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JUNE 30, 2026

Mr. LATIMER introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to allow a credit against tax for qualified residence interest paid or accrued during the taxable year, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Home Mortgage Inter-
5 est Credit Act of 2026”.

6 **SEC. 2. CREDIT FOR QUALIFIED RESIDENCE INTEREST.**

7 (a) IN GENERAL.—Subpart A of part IV of sub-
8 chapter A of chapter 1 of the Internal Revenue Code of

1 1986 is amended by inserting after section 25F the fol-
 2 lowing new section:

3 **“SEC. 25G. QUALIFIED RESIDENCE INTEREST.**

4 “(a) IN GENERAL.—There shall be allowed as a cred-
 5 it against the tax imposed by this chapter for the taxable
 6 year an amount equal to the aggregate amount of qualified
 7 residence interest paid or accrued by the taxpayer during
 8 such taxable year.

9 “(b) QUALIFIED RESIDENCE INTEREST.—For pur-
 10 poses of this section—

11 “(1) IN GENERAL.—The term ‘qualified resi-
 12 dence interest’ means any interest on acquisition in-
 13 debtedness with respect to the qualified residence of
 14 the taxpayer. For purposes of the preceding sen-
 15 tence, the determination of whether any property is
 16 the qualified residence of the taxpayer shall be made
 17 as of the time the interest is accrued.

18 “(2) ACQUISITION INDEBTEDNESS.—The term
 19 ‘acquisition indebtedness’ means any indebtedness
 20 which—

21 “(A) is incurred in acquiring, constructing,
 22 or substantially improving any qualified resi-
 23 dence of the taxpayer, and

24 “(B) is secured by such residence.

1 Such term also includes any indebtedness secured by
2 such residence resulting from the refinancing of in-
3 debtedness meeting the requirements of the pre-
4 ceding sentence (or this sentence); but only to the
5 extent the amount of the indebtedness resulting
6 from such refinancing does not exceed the amount of
7 the refinanced indebtedness.

8 “(3) QUALIFIED RESIDENCE.—The term ‘quali-
9 fied residence’ means the principal residence (within
10 the meaning of section 121) of the taxpayer.

11 “(c) LIMITATIONS.—

12 “(1) DOLLAR LIMITATION.—

13 “(A) IN GENERAL.—The credit allowed
14 under subsection (a) to any taxpayer for any
15 taxable year shall not exceed \$2,000.

16 “(B) MARRIED INDIVIDUALS FILING SEPA-
17 RATELY.—In the case of a married individual
18 filing a separate return, subparagraph (A) shall
19 be applied by substituting ‘\$1,000’ for ‘\$2,000’.

20 “(C) OTHER INDIVIDUALS.—If two or
21 more individuals who are not married own and
22 use the same residence as their qualified resi-
23 dence and pay or accrue qualified residence in-
24 terest with respect to such residence, the
25 amount of the credit allowed under subsection

(a) shall be allocated among such individuals in such manner as the Secretary may prescribe, except that the total amount of the credits allowed to all such individuals for any taxable year shall not exceed \$2,000.

“(2) LIMITATION BASED ON MODIFIED ADJUSTED GROSS INCOME.—

“(A) IN GENERAL.—The amount of the credit allowed under subsection (a) for any taxable year shall be reduced (but not below zero) by \$20 for each \$1,000 (or fraction thereof) by which the taxpayer’s modified adjusted gross income exceeds the threshold amount. For purposes of the preceding sentence, the term ‘modified adjusted gross income’ means adjusted gross income increased by any amount excluded from gross income under section 911, 931, or 933.

“(B) THRESHOLD AMOUNT.—For purposes of subparagraph (A), the term ‘threshold amount’ means—

“(i) \$300,000 in the case of a joint return or a surviving spouse (as defined in section 2(a)),

1 “(ii) \$200,000 in the case of a head
2 of household (as defined in section 2(b)),
3 and

4 “(iii) \$150,000 in the case of a tax-
5 payer not described in clause (i) or (ii).

6 “(d) DENIAL OF DOUBLE BENEFIT.—No credit or
7 deduction shall be allowed under this chapter for any
8 qualified residence interest taken into account in deter-
9 mining the credit under this section.

10 “(e) INFLATION ADJUSTMENT.—In the case of any
11 taxable year beginning after 2027, each dollar amount in
12 subsection (c) shall be increased by an amount equal to—

13 “(1) such dollar amount, multiplied by

14 “(2) the cost-of-living adjustment determined
15 under section 1(f)(3) for the calendar year in which
16 the taxable year begins, determined by substituting
17 ‘calendar year 2026’ for ‘calendar year 2016’ in sub-
18 paragraph (A)(ii) thereof.

19 If any increase under the preceding sentence is not a mul-
20 tiple of \$10, such amount shall be rounded to the nearest
21 multiple of \$10.

22 “(f) NONRESIDENT ALIEN INELIGIBLE FOR CRED-
23 IT.—No credit shall be allowed under this section to any
24 nonresident alien.

1 “(g) REGULATIONS.—The Secretary shall issue such
2 regulations or other guidance as may be necessary to carry
3 out the purposes of this section.”.

4 (b) CLERICAL AMENDMENT.—The table of sections
5 for subpart A of part IV of subchapter A of chapter 1
6 of such Code is amended by inserting after the item relat-
7 ing to section 25F the following new item:

“Sec. 25G. Qualified residence interest.”.

8 (c) EFFECTIVE DATE.—The amendments made by
9 this section shall apply to taxable years beginning after
10 December 31, 2026.

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