

BUY

VS.

RENT

\$500,000 Loan \$ 2552 Payment
500 Prop. Tax
100 Insurance

\$3152 Payment

Income \$100,000
12,000 Deductions
36,624 Mortgage
& Tax Deductions

Taxable Income \$51,376

State Tax 6% 3,082
Federal Tax 15% 7,244

Total Tax \$10,326

Renter's Tax - \$28,138
Homeowner's Tax - \$10,326

Difference \$17,812
or a monthly
tax savings of \$1,484

\$1800 Rent

Income \$100,000
12,000 Deductions

Taxable Income \$88,000

State Tax 9.3% 8,184
Federal Tax 25% 19,954

Total Tax \$28,138

House Payment - \$3,152
Tax Savings - 1,484
Equivalent Rent - 1,668