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You may order these forms online at *Forms and Publications* By *U.S. Mail* or by calling 1-800-TAX-FORM (1-800-829-3676).

See IRS Publications 1141, 1167, 1179, and other IRS resources for information about printing these tax forms.

8181

VOID CORRECTED

RECIPIENT'S/LENDER'S name, address, and telephone number		OMB No. 1545-0901
		2005
		Form 1098

Mortgage Interest Statement

RECIPIENT'S Federal identification no.	PAYER'S social security number	1 Mortgage interest received from payer(s)/borrower(s) \$
PAYER'S/BORROWER'S name		2 Points paid on purchase of principal residence \$
Street address (including apt. no.)		3 Refund of overpaid interest \$
City, state, and ZIP code		4
Account number (see instructions)		

Copy A
For Internal Revenue Service Center
File with Form 1096.
 For Privacy Act and Paperwork Reduction Act Notice, see the **2005 General Instructions for Forms 1099, 1098, 5498, and W-2G.**

Form **1098**

Cat. No. 14402K

Department of the Treasury - Internal Revenue Service

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CORRECTED (if checked)

RECIPIENT'S/LENDER'S name, address, and telephone number	<i>* Caution: The amount shown may not be fully deductible by you. Limits based on the loan amount and the cost and value of the secured property may apply. Also, you may only deduct interest to the extent it was incurred by you, actually paid by you, and not reimbursed by another person.</i>	OMB No. 1545-0901 <div style="font-size: 2em; font-weight: bold; text-align: center;">2005</div> Form 1098
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**Mortgage
Interest
Statement**

RECIPIENT'S Federal identification no.	PAYER'S social security number	1 Mortgage interest received from payer(s)/borrower(s)* \$	<p style="text-align: center;">Copy B For Payer</p> <p>The information in boxes 1, 2, and 3 is important tax information and is being furnished to the Internal Revenue Service. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if the IRS determines that an underpayment of tax results because you overstated a deduction for this mortgage interest or for these points or because you did not report this refund of interest on your return.</p>
PAYER'S/BORROWER'S name		2 Points paid on purchase of principal residence (See Box 2 on back.) \$	
Street address (including apt. no.)		3 Refund of overpaid interest (See Box 3 on back.) \$	
City, state, and ZIP code		4	
Account number (see instructions)			

Form **1098**

(keep for your records)

Department of the Treasury - Internal Revenue Service

Instructions for Payer/Borrower

A person (including a financial institution, a governmental unit, and a cooperative housing corporation) who is engaged in a trade or business and, in the course of such trade or business, received from you at least \$600 of mortgage interest (including certain points) on any one mortgage in the calendar year must furnish this statement to you.

If you received this statement as the payer of record on a mortgage on which there are other borrowers, furnish each of the other borrowers with information about the proper distribution of amounts reported on this form. Each borrower is entitled to deduct only the amount he or she paid and points paid by the seller that represent his or her share of the amount allowable as a deduction for mortgage interest and points. Each borrower may have to include in income a share of any amount reported in box 3.

If your mortgage payments were subsidized by a government agency, you may not be able to deduct the amount of the subsidy. See the instructions for Form 1040, Schedule A, C, or E for how to report the mortgage interest. Also, for more information, see Pub. 936, Home Mortgage Interest Deduction, and Pub. 535, Business Expenses.

Account number. May show an account or other unique number the payer has assigned to distinguish your account.

Box 1. Shows the mortgage interest received by the interest recipient during the year. This amount includes interest on any obligation secured by real property, including a home equity, line of credit, or credit card loan. This amount does not include points, government subsidy payments, or seller payments on a "buy-down" mortgage. Such

amounts are deductible by you only in certain circumstances. **Caution:** *If you prepaid interest in 2005 that accrued in full by January 15, 2006, this prepaid interest may be included in box 1. However, you cannot deduct the prepaid amount in 2005 even though it may be included in box 1.* If you hold a mortgage credit certificate and can claim the mortgage interest credit, see Form 8396, Mortgage Interest Credit. If the interest was paid on a mortgage, home equity, line of credit, or credit card loan secured by your personal residence, you may be subject to a deduction limitation.

Box 2. Not all points are reportable to you. Box 2 shows points you or the seller paid this year for the purchase of your principal residence that are required to be reported to you. Generally, these points are fully deductible in the year paid, but you must subtract seller-paid points from the basis of your residence. Other points not reported in this box may also be deductible. See Pub. 936 or Schedule A (Form 1040) instructions.

Box 3. Do not deduct this amount. It is a refund (or credit) for overpayment(s) of interest you made in a prior year or years. If you itemized deductions in the year(s) you paid the interest, you may have to include part or all of the box 3 amount on the "Other income" line of your 2005 Form 1040. No adjustment to your prior year(s) tax return(s) is necessary. For more information, see Pub. 936 and "Recoveries" in Pub. 525, Taxable and Nontaxable Income.

Box 4. The interest recipient may use this box to give you other information, such as the address of the property that secures the debt, real estate taxes, or insurance paid from escrow.

VOID CORRECTED

RECIPIENT'S/LENDER'S name, address, and telephone number		OMB No. 1545-0901	
		2005 Form 1098	
RECIPIENT'S Federal identification no.	PAYER'S social security number	1 Mortgage interest received from payer(s)/borrower(s)	Copy C For Recipient For Privacy Act and Paperwork Reduction Act Notice, see the 2005 General Instructions for Forms 1099, 1098, 5498, and W-2G.
		\$	
PAYER'S/BORROWER'S name		2 Points paid on purchase of principal residence	
Street address (including apt. no.)		\$	
City, state, and ZIP code		3 Refund of overpaid interest	
Account number (see instructions)		4	

Form **1098**

Department of the Treasury - Internal Revenue Service

Instructions for Recipients/Lenders

General and specific form instructions are provided as separate products. The products you should use to complete Form 1098 are the 2005 General Instructions for Forms 1099, 1098, 5498, and W-2G and the 2005 Instructions for Form 1098. A chart in the general instructions gives a quick guide to which form must be filed to report a particular payment. To order these instructions and additional forms, call 1-800-TAX-FORM (1-800-829-3676).

Caution: *Because paper forms are scanned during processing, you cannot file Forms 1096, 1098, 1099, or 5498 that you download and print from the IRS website.*

Due dates. Furnish Copy B of this form to the recipient by January 31, 2006.

File Copy A of this form with the IRS by February 28, 2006. If you file electronically, the due date is March 31, 2006.



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