

Form 1098 Not Sufficient to Substantiate Mortgage Interest Deduction

Cross References

- *Singh*, T.C. Memo. 2018-79, June 7, 2018

The court found the testimony of the taxpayer to be not credible, uncorroborated, and self-serving. Documentary evidence presented by the taxpayer at trial was often not related to the years at issue. The taxpayer gave contradictory testimony why certain records were missing. First, he claimed that the alleged records were lost because his accountant died. Then he claimed they were seized by the local county in which he lived. Then he claimed they were destroyed in a fire.

Documents submitted to the court that were related to the years at issue included two Forms 1098, *Mortgage Interest Statement*. The court said it generally relies on this type of evidence to show that a taxpayer paid the amount of mortgage interest specified on the form. However, in this case, the court was not willing to rely solely on the two Forms 1098 because:

- The taxpayer's home address was not shown on his tax return for the years at issue,
- The record did not establish the property or properties to which the Forms 1098 pertain,
- The record did not establish that the taxpayer owned the property or properties to which those forms pertain,
- The record did not establish whether the property or properties to which those forms pertain constituted the primary residence, the secondary residence, or an investment property of the taxpayer.

Based upon the entire record before the court, it ruled the taxpayer failed to substantiate the mortgage interest deduction he claimed on Schedule A (Form 1040).