

Pregent  
& Company  
Certified Public Accountants

January 28, 2014

To the President of  
Eastern Gardens Cooperative, Inc.  
3045 Eastern Avenue  
Sacramento, CA 95821

RE: 2013 Property Taxes and Interest

Under Internal Revenue Code Section 216, tenant-stockholders are entitled to deduct their proportionate share of property taxes and mortgage interest paid by a cooperative housing corporation.

Your proportionate share, which may be deductible if you itemize deductions on your 2013 individual income tax return, is as follows:

	One Bedroom	Two Bedroom
Property taxes	\$157	\$212
Mortgage interest	\$414	\$558

If you were a tenant-stockholder for less than a full year during 2013, you must pro-rate your deduction. The following is an example:

Four months – Two Bedroom

Property taxes             $4/12 \times \$212 = \$71$

Mortgage interest         $4/12 \times \$558 = \$186$

Sincerely,



Laura Pregent, CPA