

Federal Tax Credit for First-Time Homebuyers

\$8,000 TAX CREDIT

NOW IS THE TIME TO BUY YOUR HOME!

WHAT IS THE \$8,000 FIRST-TIME HOMEBUYER TAX CREDIT?

First-time homebuyers can receive a tax credit up to \$8,000 if they purchase their primary residence by June 30, 2010.

WHO IS CONSIDERED A "FIRST TIME HOMEBUYER"?

First-time homebuyers or people who have not owned a home as your principal residence within the last three years.

Married couples cannot qualify for the credit unless both spouses meet the three year rule.

HOW MUCH IS THE TAX CREDIT

The tax credit is 10% of the purchase price of the home, with a maximum available credit of \$8,000.

WHAT ARE THE INCOME LIMITS

For single taxpayers, the credit decreases as modified adjusted gross income rises above \$125,000 and it disappears altogether above \$145,000.

For married couples, the credit starts to decrease at modified adjusted gross of \$225,000 and disappears after \$245,000.

WHAT ARE THE DEADLINES?

In order to qualify for the credit, you must sign a purchase contract by April 30, 2010 and close by June 30, 2010.

HOW DO I GET THE CREDIT?

If you bought your home at any time during 2009, you can claim the credit when you file your 2009 taxes in 2010.

If you purchased your home on or before November 6, 2009, you have the option to amend your 2008 tax return.

Those who buy in 2010 can choose to claim the credit when they file either their 2009 or 2010 tax returns.

WILL THE TAX CREDIT NEED TO BE REPAID?

No. The buyer does not need to repay the tax credit, if he/she occupies the home for three years or more. However, if the property is sold during this three-year period, the full amount credit will be recouped on the sale.

NEED ADDITIONAL INFORMATION?

Set up an appointment with a First Bank Mortgage Originator today!



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This is informational only and should not be construed as legal or tax advice. Be sure to consult with a tax professional. Accuracy is deemed reliable but not guaranteed.

Federal Tax Credit for New Home Purchases

\$6,500 TAX CREDIT

NOW IS THE TIME TO BUY YOUR HOME!

WHAT IS THE \$6,500 HOMEBUYER TAX CREDIT?

Current home owners purchasing a new primary residence can receive a tax credit up to \$6,500 if they purchase their primary residence by June 30, 2010.

WHO QUALIFIES FOR THE \$6,500 TAX CREDIT?

Current home owners purchasing a new home who have used the home being sold or vacated as a principal residence for five consecutive years within the last eight years.

HOW MUCH IS THE TAX CREDIT

The tax credit is 10% of the purchase price of the home, with a maximum available credit of \$6,500.

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