

FEATURE	FIRST-TIME HOMEBUYER FEDERAL INCOME TAX CREDIT: EFFECTIVE FOR PURCHASES ON OR AFTER JANUARY 1, 2009 AND BEFORE DECEMBER 1, 2009
<b>Amount of Credit</b>	The amount of the homebuyer federal income tax credit is the lesser of 10% of the cost of the home bought or \$8,000.
<b>Eligible Property</b>	Any single-family residence (including a condo, co-op, or townhouse) may be an eligible property under the homebuyer income tax credit, provided it will be used as the homebuyer's principal residence.
<b>Refundable</b>	This homebuyer income tax credit reduces income tax liability. The \$8,000 tax credit is a clean refundable credit, unlike the one that was passed last summer, which required a repayment. If you qualify as a first-time buyer (i.e., haven't been a homeowner in the past 3 years), then you can claim the \$8,000 to reduce your tax burden. If the \$8,000 is greater than the tax you owe, then you will get a refund check for the difference. Example: you owe \$2,000 in taxes on April 15, 2010. But if you bought a home before the stimulus expiration on Dec. 1, 2009, then you will get a tax refund check for \$6,000 from the IRS.*
<b>Income Limit</b>	In order to be eligible for the homebuyer income tax credit in full, the homebuyer can have an annual adjusted gross income of no more than \$75,000 (\$150,000 on a joint return). A homebuyer with an annual adjusted gross income above that level and up to \$95,000 (\$170,000 on a joint return) is eligible for a reduced tax credit.
<b>First-time Homebuyer Only</b>	The homebuyer income tax credit is designed for first-time homebuyers, which means the homebuyer (and/or the homebuyer's spouse) can not have owned a principal residence in the 3 years prior to purchase of the eligible property.
<b>Revenue Bond Financing</b>	A homebuyer who utilizes revenue bond financing may be eligible for the homebuyer income tax credit.
<b>Repayment</b>	There is no repayment of the homebuyer income tax credit by the homebuyer.
<b>Recapture</b>	However, if the eligible property is resold within three years of purchase, the entire amount of homebuyer income tax credit is recaptured on the sale.
<b>Effective Date</b>	The First-Time Homebuyer Federal Income Tax Credit is effective for purchases on or after January 1, 2009 and before December 1, 2009. This guide reflects a modification from the First-Time Homebuyer Federal Income Tax Credit, which remains in effect for homes purchased by eligible homebuyers between April 9, 2008 and Dec. 31, 2008.