



## **\$8000 First Time Home Buyer Tax Credit**

### **Who is eligible?**

•According to the IRS, any taxpayer who has not owned a home during the 3 years prior to the date of purchase can qualify for the credit.

–So if the last time you owned a home was 2005, you are eligible for the credit even though it is really not your “first” home. For married joint filers, both must meet the 1<sup>st</sup> time homebuyer test to take the credit on a joint return.

### **Frequently Asked Questions**

**Q: How much is the credit?**

**A: The tax credit would be \$8,000, or 10% of the purchase price, whichever is less.**

**Q: What type of purchase is eligible?**

**A: Similar to the \$7,500 tax credit included in the Housing and Economic Recovery Act of 2008, the \$8,000 tax credit included in the 2009 economic stimulus plan is available for the purchase of a principal residence by first-time homebuyers.**

**Q: I really don't have to repay the credit?**

**A: Correct. This is a change from the previous \$7,500 tax credit. However, if the home is sold within three years of purchase, the credit will be reversed.**

**Q: Are there income limitations on the tax credit?**

**A: The tax credit begins to phase out for individuals with adjusted gross income over \$75,000 (\$150,000 for joint filers).**

**Q: Can you help me apply for the credit?**

**A: Yes. We can direct you to a qualified mortgage lender who will help with the application.**

