

## REAL LOANS, REAL PEOPLE, REAL ESTATE

**\$8,000**  
First Time  
Homebuyer  
**\$6,500**  
Repeat  
Homebuyer



# Tax Credit

### FREQUENTLY ASKED QUESTIONS

#### How Do I Qualify?

To qualify for the credit, you must be either a “first time home buyer” or a “repeat home buyer” and must make the purchase between **November 6th, 2009 and April 30, 2010**, or purchase by **June 30, 2010** with a binding sales contract signed by **April 30, 2010**.

#### What is a First Time Home Buyer?

You may not have owned a home for the past three years to qualify as “first time” buyer. You must also live in the house as your primary residence for at least three years, or you will be obligated to pay back the credit.

#### What is a Repeat Buyer

A repeat buyer is defined as a home owner who has owned and resided in a home for at least five consecutive years of the eight years prior to the purchase date. For married taxpayers, the law tests the homeownership history of both the home buyer and his/her spouse. Repeat home buyers do not have to purchase a home that is more expensive than their previous home to qualify for the tax credit.

#### When Do I Get the \$8,000 Tax Credit?

**TODAY!** You can file for the \$8,000 on your 2008 tax returns, *if you have closed on your home*. If you have not yet closed, you can file the same day of your closing and the refund will take just about as long your normal tax refund.

#### You Said I Can Take the Credit On My 2008 Taxes. What If I Already Filed?

If you have already filed your 2008 return and you purchase afterward you filed, or if you have already purchased and did not know about the credit and have already filed, you can file an amended 2008 return.

#### Are There Income Restrictions?

Yes, the income limit is \$125,000 if you are single or \$225,000 if you are married and file jointly. The credit begins to phase out over these income limits up to \$20,000.

#### How Much of the Credit Do I Get?

The credit is worth up to \$8,000 or 10% of the home’s purchase price value, whichever is less, for first time home buyers and up to \$6,500 or 10% of the home’s purchase price, whichever is less, for repeat home buyers.

#### Do I Really Get \$8,000, Or Is There IRS Fuzzy Math Involved?

Yes, you actually get up to \$8,000 or 10% of the value of the home, which ever is less. The credit is **refundable**, meaning tax filers will see a refund of the full \$8,000 even if your total tax bill – the amount of withholding you paid during the year– was less than that amount. You may take this credit on your 2008 or 2009 or 2010 taxes.

#### How Hard Is It To Claim this Credit?

Applying for the credit will be easy – or at least as easy as doing your income taxes. Just claim it on your return on Form#5405. No other forms or papers have to be filed. Taxpayers who have already completed their returns can file amended returns, called