

# *Two exciting tax credits for first time home buyers!*

## First Time Homebuyer Tax Credit Information

### Housing Stimulus Laws of 2009

**The Federal Stimulus Package** is designed for homes purchased between January 1, 2009 and November 30, 2009. The amount of the tax credit is 10% of the purchase price up to \$8000.

#### Conditions:

- The home must be used as the borrower's primary residence at time of purchase and up to *at least* 36 months or the credit must be re-paid.
- Although the home must be new to the borrower, it does not have to be a "new" home; it can be a previously owned home.
- The home can be a single family residential dwelling, a condominium, townhome or even a manufactured home.
- Income restrictions apply. The tax credit begins to phase out if the modified adjusted gross income is over \$75,000 and goes away completely at \$95,000.
- Any amount of the tax credit *not* used to reduce the tax owed by the tax payer may be added to the tax payers refund check.
- The buyer does not have to be a true first time home buyer, but cannot have owned a home in the previous 3 years.
- Full tax credit must be claimed on either the buyers 2008 or 2009 tax returns. 2008 returns may be amended.

For further information, please visit:

<http://www.irs.gov/newsroom/article/0,,id=187935,00.html>

**The California State Stimulus Package** can be used for properties purchased between March 1, 2009 and February 28, 2010 or until the funds run out.

It can be used in conjunction with the Federal package described above. The amount of the tax credit is 5% of the purchase price, not to exceed \$10,000.

#### Conditions:

- The home must be used as the borrower's primary residence at time of purchase and up to *at least* 24 months or the credit must be re-paid.
- No income restrictions.
- Property must be "New" and **not** previously occupied
- The buyer does not have to be a first time home buyer.
- 1/3 of total tax credit may be claimed each year for the next three successive years.

For further information, please visit:

[http://www.ftb.ca.gov/individuals/New\\_Home\\_Credit.shtml](http://www.ftb.ca.gov/individuals/New_Home_Credit.shtml)