

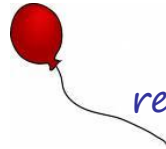
Everyone is talking about the Homebuyer Tax Credit, but many people don't understand how it works or whether it applies to them. If you are a first time homebuyer **OR** have not owned a home during the last 3 years you may qualify. The credit is calculated on the price of the home to a maximum of \$8,000. To be eligible for the credit buyers must purchase the residence before December 1, 2009 and reside in it as their principal residence. There are also income considerations so buyers should seek advice from a professional tax advisor for specific tax calculations.

The following summary may help you determine if you qualify for the tax credit. For those who qualify, this makes 2009 a very unique and attractive time to buy. If you've been contemplating a home purchase why wait. Call me today:

Vicki Benkenstein

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Or visit me on the web at:



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A CONSUMER GUIDE TO THE FIRST-TIME HOMEBUYER FEDERAL INCOME TAX CREDIT

As Modified in the American Recovery and Reinvestment Act

February 2009

FEATURE	FIRST-TIME HOMEBUYER FEDERAL INCOME TAX CREDIT: EFFECTIVE FOR PURCHASES ON OR AFTER JANUARY 1, 2009 AND BEFORE DECEMBER 1, 2009
Amount of Credit	The amount of the homebuyer federal income tax credit is the lesser of 10% of the cost of the home bought or \$8,000. This homebuyer income tax credit reduces income tax liability and requires no repayment.
Eligible Property	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.
Income Limit	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.
First-time Homebuyer Only	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.
Repayment	There is no repayment of the homebuyer income tax credit by the homebuyer.
Recapture	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.
Effective Date	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.

SOURCE: Based on information provided by the [National Association of Realtors](#).

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