

# Homebuyer Tax Credit Changes

## Updated November 12, 2009



• National Association of Realtors® Government Affairs Division

Congress has extended and expanded the homebuyer tax credit. The modifications in the column labeled November 7, 2009 - April 30, 2010 became effective on November 7.

Feature	January 1 - November 30 2009 Rules as enacted February 2009	November 7, 2009 - April 30, 2010 Rules as enacted November 2009
<b>First-time Buyer – Amount of Credit</b>	\$8,000 (\$4,000 married filing separate)	\$8,000 (\$4,000 married filing separate)
<b>First-time Buyer – Definition for Eligibility</b>	May not have had an interest in a principal residence for 3 years prior to purchase	Same
<b>Current Homeowner – Amount of Credit</b>	No Provision	\$6,500 (\$3,250 married filing separate)
<b>Effective Date – Current Owner</b>	No Provision	November 7, 2009
<b>Current Homeowner – Definition for Eligibility</b>	No Provision	Must have lived in principal residence consecutively for 5 of the previous 8 years
<b>Termination of Credit</b>	November 30, 2009	April 30, 2010 (See “Binding Contract Rule” below)
<b>Binding Contract Rule</b>	None	So long as a written binding contract to purchase is in effect on April 30, 2010, the purchaser will have until July 1, 2010 to close
<b>Income Limits (Note: Increased income limits are effective as of November 7, 2009)</b>	\$75,000 – single \$150,000 – married Additional \$20,000 phaseout	\$125,000 – single \$225,000 – married Additional \$20,000 phaseout
<b>Limitation on Cost of Purchased Home</b>	None	\$800,000
<b>Purchase by a Dependent</b>	No Provision	Ineligible
<b>Anti-fraud Rule</b>	None	Purchaser must attach documentation of purchase to tax return