

Homebuyer Credit Extended into 2010

Homebuyer credit extended, and enhanced

A November 6, 2009 law extends the popular first-time homebuyer credit and creates a new credit for long-time homeowners.

First-time homebuyer credit:

- The deadline for the \$8,000 first-time homebuyer credit is extended past November 30, 2009.
- Buyers must enter into a binding contract to buy a home on or before April 30, 2010 and close on the home by June 30, 2010.
- For purchases after November 6, 2009, the income ceiling to qualify for the full credit is raised, from \$75,000 to \$125,000 adjusted gross income for single filers and from \$150,000 to \$225,000 adjusted gross income for married couples filing jointly.

Long-time homebuyer credit:

- A new \$6,500 credit is available for homebuyers who have owned a home for a period of five consecutive years in the eight years prior to purchase.
- The credit applies to purchases made after November 6, 2009. Buyers must enter into a binding contract to buy a home on or before April 30, 2010 and close on the home by June 30, 2010.
- The income ceiling to qualify for the full credit is \$125,000 adjusted gross income for single filers and \$225,000 adjusted gross income for married couples filing jointly.

Some military, federal employees get extra one year to qualify

- Military service members and certain other federal employees serving outside the country have an extra year to qualify for a homebuyer credit. Eligible taxpayers must enter into a binding contract to buy a principal residence on or before April 30, 2011.

For additional information, please contact our office to discuss.