

NAR Issue Brief

Homebuyer Tax Credit



National Association of REALTORS® Government Affairs Division
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FEATURE	Jan 1 – November 30, 2009 Rules as enacted February 2009	November 7 – April 30, 2010 Rules as enacted November 2009
First-time Buyer Amount of Credit	\$8000 ((\$4000 married filing separate)	\$8000 ((\$4000 married filing separate)
First-time Buyer Definition for Eligibility	May not have had an interest in a principal residence for 3 years prior to purchase	Same
Current Homeowner Amount of Credit	No Provision	\$6500 ((\$3250 married filing separate)
Effective Date Current Owner	No Provision	November 7, 2009
Current Homeowner Definition for Eligibility	No Provision	Must have used the home sold or being sold as a principal residence consecutively for 5 of the previous 8 years
Termination of Credit	Purchases after November 30, 2009. (Becomes April 30, 2010 on Date of Enactment.)	Purchases after April 30, 2010
Binding Contract Rule	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.
Income Limits (Note: Increased income limits are effective as of date of enactment of bill)	\$75,000 – single \$150,000 – married Additional \$20,000 phase out	\$125,000 – single \$225,000 – married Additional \$20,000 phase out
Limitation on Cost of Purchased Home	None	\$800,000 November 7, 2009
Purchase by a Dependent	No Provision	Ineligible November 7, 2009
Anti-fraud Rule	None	Purchaser must attach documentation of purchase to tax return