

\$8,000 FIRST-TIME HOMEBUYER INCOME TAX CREDIT



Highlights:

Who is eligible? First-time home buyers and those who have NOT owned a *principal residence* in the last three years. Ownership of a vacation home or rental property that has NOT been used as a principal residence does NOT disqualify a buyer as being eligible as a first-time home buyer. (However, if one spouse has owned a *principal residence* in the last three years, *both* spouses are disqualified.)

Who is NOT eligible? Non-resident aliens; buyers who dispose of the home or who cease to use it as their principal residence before the end of three years; or buyers who acquire the home from a related person. There are also some income limitations. (See <http://www.federalhousingtaxcredit.com> for more information.)

The new or resale home must be purchased **between January 1, 2009 and December 1, 2009**. The purchase date is the closing date.

The maximum credit is \$8,000 OR 10% of the purchase price (if home price is less than \$80,000). If married, filing jointly, the maximum amount would be \$4,000 per spouse. The amount may be limited based on the amount of your income.

You can purchase your home in 2009 and still claim the tax credit on your 2008 income tax return, if you like. It may be beneficial to "amend" your 2008 return to do so. Please check with your accountant or CPA to determine when claiming the tax credit would benefit you most.

The tax credit is no longer an interest-free loan. It is more like a *gift* of \$8,000 (or \$8,000 off the amount you would normally pay the IRS). You no longer have to pay it back! You must use the home as your principal residence for at least three years. Be sure to read the details at the link below.

For further information, please visit <http://www.federalhousingtaxcredit.com>

The above is meant to inform you of some of the facts regarding the First Time Buyer's Tax Credit. It is not intended to give advise about financial matters. Always check with your accountant or CPA to make sure this tax incentive truly works in your favor before making any financial decisions.

For more information about buying or selling a home in Texas, or to search our database of available homes in the Austin area, please visit <http://www.quigleyteam.com>

Quigley Team
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We treat YOU
the way we'd want to be treated!

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