

Some Second & Third Time Home Owners Qualify for “1st Time Home Buyer” Tax Credit

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There will be a number of Americans who qualify to receive the up to \$8000 tax credit for buying a home in 2009 who have no idea. In title, “First Time Homebuyer” would lead you to believe only consumers who are buying their first home are eligible, that’s not necessarily the case. The IRS defines a first-time home buyer as someone who has not owned a principal residence during a three-year period prior to purchase. For example, you could currently own a rental property but have lived in a home you rent as your primary residence, for the last three year and still qualify. Other things to know, the tax credit does not have to be repaid as long as the purchased property is your principal residence for at least 36 months, buyers get 10 percent of the home’s purchase price up to a maximum of \$8,000 and it’s only available for homes purchased on or after January 1, 2009 and before December 1, 2009. Single taxpayers with incomes up to \$75,000 and married couples with incomes up to \$150,000 qualify. Consumers should consult with a qualified tax advisor before making a purchase to find out how their specific circumstances effect their ability to qualify. Other valuable resources for researching the “First Time Homebuyer” credit;

www.irs.gov/newsroom/article/0,,id=206291,00.html

www.federalhousingtaxcredit.com/2009/home.html

With housing prices down & mortgage rates at an all time low now is definitely the time to buy, taking advantage of the many benefits of home ownership. Consider this, with an FHA mortgage requiring just 3% down to purchase, an \$8,000 tax credit is down payment enough to buy a \$266,666 home. As of July 1st 2009, in Colorado, there are more than 4,500 properties on the market in this price range. Unfortunately there are no programs currently in place in our state to help consumers get their tax credit in advance of purchase but a good realtor and lender can certainly help one evaluate multiple options to help facilitate a purchase.

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