



First-Time Homebuyer Tax Credit Updates

First-Time Homebuyer Tax Credit Extended for Veterans

If you or your spouse is a member of the armed forces and has recently served active duty outside of the US for at least 90 days between January 1, 2009 and April 30, 2010, you could still qualify for a first-time homebuyer tax credit of up to \$8,000. Furthermore, if you receive a VA loan, you may be eligible for more savings.

- VA loans are available to active military personnel, veterans, and spouses. They do not require a down payment, interest rates are cheaper than other home loans, and do not require mortgage protection insurance.
- Tax credit qualifications include:
 - Your income cannot exceed \$125,000 if you are single.*
 - Your combined income cannot exceed \$225,000 if you are married.*
 - A purchase agreement must be signed by April 30, 2011.
 - The home purchased cannot exceed \$800,000.

*If your income exceeds these levels, you may be eligible for a partial tax credit.
- For more details, please visit: www.militaryunited.com.

First-Time Homebuyer Tax Credit Bills Due in 2011

The Housing and Economic Recovery Act of 2008 provided a refundable tax credit to qualified first-time homebuyers purchasing a main home in the United States after April 8, 2008, and before January 1, 2009. If you claimed and received the one-time credit on your income tax return for 2008, you must repay the credit. It is repaid as an additional tax on your tax return. However, if you used the homebuyer tax credit in 2009 or 2010, you will not have to repay the credit unless your home is no longer your primary residence during the first 3 years of owning that home.

- Beginning with your 2010 tax returns, the credit amount will be repaid over a 15 year period.
- Amount to be Repaid: Divide the amount of tax credit you claimed by 15 and add that amount to your tax bill.
- For more details, please visit: <http://www.irs.gov/newsroom/article/0,,id=206292,00.html>

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