

**Mortgage News [Homes & Money Quarterly Newsletter – 2<sup>nd</sup> Quarter 2010]**  
**Home Buyer Tax Credit Extended for Military Personnel**

The popular Home Buyer's Tax Credit has expired for all Americans, except for three very deserving groups: the brave men and women of the uniformed services of the U.S military, members of the Foreign Service of the U.S., or employees of the intelligence community who are actively serving outside of the U.S. on "official extended duty."



Official extended duty is defined as any period of extended duty outside of the United States for at least 90 days during the period beginning December 31, 2008 and ending before May 1, 2010.

That's right. Thanks to the Worker, Home Ownership, and Business Assistance Act of 2009, which was signed into law by the President on November 6, 2009, qualified military service members have one extra year to take advantage of The Homebuyer's Tax Credit of up to \$8,000 for first-time buyers and up to \$6,500 for certain repeat buyers. This means qualified military members must be under contract on a purchase by April 30, 2011 and close on the deal by June 30, 2011.

Qualified military buyers can also utilize this tax credit along with other available benefits from the Department of Veterans Affairs (VA), making this dollar-for-dollar tax credit extremely financially attractive with today's lower home prices and lower interest rates. That's because the VA allows qualified military borrowers to purchase certain homes in certain areas with no money down and no private mortgage insurance.



To be a qualified first-time home buyer and receive a tax credit of up to \$8,000, the buyer and his or her spouse cannot have owned a home in the last three years. Unlike the Home Buyer Tax Credit for civilians, however, the maximum purchase price of a home is \$800,000 under this program – anything over that and the tax credit is invalid. The credit phases out for individual taxpayers with modified adjusted gross income (MAGI) between \$125,000 and \$145,000 or between \$225,000 and \$245,000 for joint filers.

To be a qualified "repeat buyer" or non first-time buyer and receive a tax credit for up to \$6,500, a buyer must have lived in his or her current residence for five out of the last eight years. The rest of the requirements are generally the same as the \$8,000 tax credit.

You served your country, let us serve you. If you or someone you know is looking to purchase a new home and may qualify for this incredible opportunity, please don't hesitate to give us a call right away.