

FIRST-TIME HOMEBUYER CREDIT COMPARISON

Purchase date	4/9/08—12/31/08	1/1/09—11/6/09	11/7/09—4/30/10
1) Credit amount	10% of purchase price to maximum of \$7,500 (\$3,750 MFS)	10% of purchase price to maximum of \$8,000 (\$4,000 MFS)	10% of purchase price to maximum of \$8,000 (\$4,000 MFS) 10% of purchase price to maximum of \$6,500 (\$3,250 MFS) for long-term homeowners
2) Binding contract provision	N/A	N/A	Binding contract entered into on or before 4/30/10 must be closed before 7/1/10
3) Price limit	None	None	\$800,000
4) MAGI limit	\$75,000-\$95,000 (\$150,000-\$170,000 MFJ)	\$75,000-\$95,000 (\$150,000-\$170,000 MFJ)	\$125,000-\$145,000 (\$225,000-\$245,000 MFJ)
5) First-time homebuyer defined	No ownership of principal residence in 3 years before purchase	No ownership of principal residence in 3 years before purchase	Now includes long-term homeowners who owned and lived in their homes 5 continuous years out of previous 8 years before replacement home purchase (reduced maximum \$6,500)
6) Claim on current or prior year return (applying CY rules)	N/A	Yes	Yes
7) Recapture provision	Pay back in 15 equal installments starting 2010—exceptions apply	Pay back in full if home sold or not used as principal residence for 3 years	Pay back in full if home sold or not used as principal residence for 3 years
8) Substantiation required with claim	No	Closing statement must be submitted if claimed on 2009 return	Closing statement must be submitted if claimed on 2009 or 2010 return
9) Restrictions	Doesn't apply to nonresident aliens Can't purchase home from related party (spouse, parent, grandparent, other ancestors, and descendents)	Same	Same but related party includes parents in-law, stepchildren, and other family of spouse Taxpayer must be at least 18 at the time of purchase. Individual cannot be a dependent of another taxpayer
10) Military provisions	N/A	N/A	Recapture doesn't apply if on qualified official extended duty Purchase date extended through 4/30/11 (6/30/11 for contracts before 5/1/11) if on qualified official extended duty <i>overseas</i>

