



# MORTGAGE CHOICE<sup>INC</sup>

## NEW TAX CREDIT VERSUS OLD TAX CREDIT

FEATURE	2008 VERSION	2009/2010 VERSION
<b>Amount of Credit</b>	Lesser of 10 percent of the cost of the home or \$7500	Lesser of 10 percent of the cost of the home or \$8000
<b>Eligible properties</b>	Any Single family residence (including condos and townhomes) that will be used as a primary residence	No changes
<b>Refundable</b>	Yes. Reduces income tax liability for the year of purchase. Any unused amount of tax credit refunded to purchaser	No changes
<b>Income Limit</b>	Yes, \$75,000 for individuals and \$150,000 for couples. Phases out above those caps (\$95,000 and \$170,000)	No changes
<b>First Time Home Buyer Only</b>	Yes. Purchaser may not have owned a principal dwelling in the last three 3 yrs.	<b>New and existing homeowners may be eligible. If you owned your home for 5 of the previous 8 yrs, you may be eligible for a \$6500 tax credit if you purchase a new home by June 30, 2010</b>
<b>Repayment</b>	Yes	<b>No repayment is required</b>
<b>Recapture</b>	If home is sold before the 15 yr repayment period, then outstanding balance of repayment amount recaptured on sale.	If home is sold within three years of purchase, entire amount of recapture is due. Beyond three years, no recapture
<b>Termination</b>	July 1, 2009	Must identify home by April 30, 2010 and close no later than June 30, 2010
<b>Effective Date</b>	Purchases on or after April 9, 2008 and before January 1, 2009. Repayment to begin for 2010 tax year.	January 1, 2009 thru June 30, 2010