



| FEATURE | H.R. 3221 Housing and Economic Recovery Act of 2008 |
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| Amount of Credit | Ten percent of cost of home, not to exceed \$7500 |
| Eligible Property | Any single family residence (including condos, co-ops) that will be used as a principal residence. |
| Refundable | Yes. Reduces income tax liability for the year of purchase. Claimed on tax return for that tax year. |
| Income Limit | Yes. Full amount of credit available for individuals with adjusted gross income of no more than \$75,000(\$150,000 on a joint return). Phases out above those caps (\$95,000 and \$170,000, respectively). |
| First-time Homebuyer Only | Yes. Purchaser (and purchaser's spouse) may not have owned a principal residence in 3 years previous to purchase. |
| Recapture | Yes. Portion (6.67 % of credit) to be repaid each year for 15 years. If home sold before 15 years, then remainder of credit recaptured on sale. |
| Impact on District of Columbia Homebuyer Credit | DC credit not available if purchaser uses this credit. |
| Effective Date | Purchases on or after April 9, 2008 |
| Termination | July 1, 2009 |
| Interaction with Alternative Minimum Tax | Can be used against AMT, so credit will not throw individual into AMT. |

Courtesy of: George Fotion, Call Realty

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