

White House Extends and Expands Home Buyer Credit

President Obama has signed legislation that will both extend and expand the home buyer credit through April 30, 2010. As before, first time home buyers will be entitled to an \$8,000 tax credit provided they enter a sales contract by the deadline and finish closing proceedings no later than June 30, 2010. Also, a smaller credit worth \$6,500 is now available to families that have lived in their current home for a minimum of five years and wish to upgrade to a larger property. The law further extends a similar tax benefit to military personnel until May 2011. Additionally, financial eligibility restrictions have also been relaxed, raising the ceiling to qualify for the full credit to \$125,000 for individual buyers and \$225,000 for married couples.

The newly signed recovery bill expects to stimulate housing sales, slow foreclosures, and stabilize home prices. Estimates have stated the extension of the home buyers' credit will create an additional 211,000 jobs while generating up to 180,000 new home sales. Included within the expanded scope of the home buyer credit are new measures that serve to prevent fraudulent claims as well as protect legitimate buyers. A minimum buyers' age as well as showing documented proof that the purchase was legit will be required to qualify for the credit.

For more information and to view a summary of the expanded tax credit, click [here](#).