



Great News for Homebuyers!!! Get up to \$18,000 in Tax Credits

A \$10,000 state tax credit for new-home buyers in California will begin for people who close escrow on or after March 1 according the State of California Franchise Tax Board.

"The date sold is the date of the close of escrow," said FTB spokeswoman Brenda Voet.

Voet said the state agency will post tax credit details and procedures on their website in a special section. Go to www.ftb.ca.gov

Under the federal plan, if you have not owned a home in the past three years and buy a new or existing home between Jan. 1 and November 30, you could get an \$8,000 federal tax credit. This credit is refundable, which means you can get it even if you don't earn enough money to owe taxes. The credit phases out between \$75,000 and \$95,000 in income for singles and \$150,000 and \$170,000 for couples.

Under the state plan, if you buy a newly built home in California on or after March 1, 2009 and before March 1, 2010, you will be eligible for a state tax credit equal to 5 percent of the purchase price or \$10,000, whichever is less. Credit must be spread over three years, and you don't have to be a first-time buyer.

The tax credit gives buyers who close escrow on or after March 1 and up to March 1, 2010, up to \$3,333 off their taxes for each of the first three years after buying. First-time and move-up buyers alike are eligible and there are no income limits.

Within one week of the sale, the seller must certify to the California Franchise Tax Board that the home was new and unoccupied. The state has set aside \$100 million for this program and will dole it out on a first come, first served basis. There is no income limit on the credit, but it's nonrefundable: You can't benefit from it if you don't pay state taxes.

You'll have to pay back the state credit if you don't live in the home for two years, and repay the federal credit if you move out before three years.

For more details, contact your *Silvercrest Dealer*. You can find them on our website!