



## First Time Home Buyer Mortgage Credit Certificate

### What is the TAKE CREDIT!! Mortgage Credit Certificate (MCC) Program?

It is a 20% federal income tax credit that can be used toward the amount of taxes you owe at the end of each year you live in your home. Because of this credit you can increase your monthly income by amending your W-4 so there are less deductions taken out of your paycheck.

#### EXAMPLE:

Loan Amount	\$175,000
(times % interest rate of the loan)	5.5%
First Year Interest	\$9,566
(times MCC credit rate)	20%
<b>Approximate Amount of Mortgage Tax Credit</b>	<b>\$1,913</b>

In addition to taking the Mortgage Tax Credit dollar for dollar from the federal income taxes you owe each year, under current tax laws you can also deduct the amount of interest paid on your loan each year (less the amount equal to the Mortgage Tax Credit) and your property taxes.



### Who is eligible?

You may be eligible for an MCC through the TAKE CREDIT!! program if you meet the following requirements:

- **First-time Home Buyer:** (A first-time home buyer is defined as someone who has not owned, or been included on a title to a property in the last three years.)
- **Income:** 1-2 person taxpayers with adjusted gross income of less than \$83,900 - \$92,290 or 3 – more persons of less than \$92,290
- **Purchase Price:** The purchase price of a new or existing single family house, townhome or condominium is less than \$369,160 (Certain adjustments apply to owner-occupied duplexes, tri-plexes and four-plexes)
- **Qualify for a mortgage:** Loan must be a fixed rate conventional, FHA, VA or RHS mortgage product and not financed by a Mortgage Revenue Bond program

### How to TAKE CREDIT!!

It's simple. If you meet the requirements listed, you can apply for a MCC through a participating TAKE CREDIT!! lender. You will receive the MCC when you close on your home. You must file IRS Form 8396 with your federal income tax return each year.

There is a one-time program participation fee of \$575.

If you close on your home before December 1, 2009, you may also be eligible for up to \$8,000 First-Time Homebuyer Tax Credit permitted under recent legislation passed by Congress.

For more information please contact a participating lender. For a list of participating lenders visit [www.cityliving.org](http://www.cityliving.org).

