

Valuable information for buyers and sellers.



Owning a home invokes more than a sense of pride and freedom. It is also a long-term investment opportunity. With tax season in full swing, it is a great time to speak to your tax advisor about the tax advantages associated with homeownership.

Some of these benefits include:

- **Reduce your taxable income:** On your itemized income tax return, you may be able to deduct mortgage interest payments, property taxes and points paid to lower your loan's interest rate.
- **Take advantage of special tax breaks:** First-time buyers who get under contract before April 30, 2010, and close by June 30, 2010, may be eligible for an \$8,000 tax credit. Some existing homeowners who purchase a new principal residence within the same time frame could get a \$6,500 tax credit.
- **Lower tax on capital gains when you sell:** When you sell your home, you will not have to pay federal income tax on capital gains of up to \$500,000 for a married couple and \$250,000 if you are single. This applies to the sale of a principal residence owned and occupied for at least two of the last five years.

You may also want to register for our upcoming tax credit seminar taking place in many Weichert offices on Saturday, Mar. 20, at 11:00 a.m. Our expert presenters will explain the homebuyer tax credit and the other benefits of owning a home.