



New Homebuyer Tax Credit Program Features:

- Up to \$2,000, or 20%, of the total mortgage interest paid in income tax credits each year
- Tax credit directly reduces income tax due
- Unused tax credit can be carried forward for up to three years
- Can be used with IdaMortgage loan products
- Program available through 2011
- First-time homebuyer requirements apply
- Owner occupancy is required to receive tax credit
- \$300 fee from borrower

Example of tax credit benefits to borrowers:

Based on \$120,000, 30-year mortgage at 5% interest rate:

| Year | Mortgage Interest Paid | 20% Tax Credit |
|------|------------------------|----------------|
| 1 | \$5,960 | \$1,192 |
| 2 | \$5,869 | \$1,174 |
| 3 | \$5,774 | \$1,155 |
| 4 | \$5,674 | \$1,135 |
| 5 | \$5,569 | \$1,114 |

The tax credit is for the life of the loan; this example shows that in just the first five years a borrower could receive \$5,770 in tax credits.