

## Housing agency offers tax credit program for first-time buyers

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By PBN Staff

Rhode Island Housing on Tuesday announced the launch of the agency's FirstHomes Tax Credit program designed to help first-time homebuyers save as much as \$2,000 annually on mortgage costs.

The tax credit, supported by Rhode Island Housing's lending partners, would allow eligible homebuyers to receive 20 percent of their total mortgage interest paid yearly – to a maximum of \$2,000 – as a federal tax credit. The credit can be claimed each year for the life of the mortgage, as long as the borrower continues to live in the home.

“The launch of our FirstHomes Tax Credit program comes at a very exciting time for us,” said Richard Godfrey, executive director of Rhode Island Housing. “We want all of our state's first-time homebuyers to be aware of and have access to this incredible money saving opportunity. If we can bring more first-time buyers into the market, it will stimulate sales all across the market.”

A buyer is considered eligible for the tax credit if they are a first-time homebuyer borrowing through Rhode Island Housing or an approved lender. In addition, the borrower's household income must be less than \$86,280 for a one- or two-person household and less than \$100,660 for a household of three or more people. The maximum home purchase price is \$417,000.

The tax credit is also available to non-first-time homebuyers purchasing homes in select areas of Providence, Pawtucket, Central Falls and Woonsocket.

As currently designed, Rhode Island Housing can provide FirstHomes Tax Credits for more than \$93 million in mortgages on a first-come, first-serve basis among lenders and prospective borrowers, the agency said.

“The majority of our customers, and many of our approved lenders' customers, will meet the eligibility criteria set for this program,” said Peter Walsh, director of homeownership and customer service for Rhode Island Housing. “This is not a coincidence; the FirstHomes Tax Credit was specifically designed to respond to the needs of our state's first-time homebuyers. We are excited to offer this program and encourage any first-time homebuyer to visit our website or call our loan center for more information about this program.”

To learn more about the FirstHomes Tax Credit program and view a list of approved lenders, visit [www.firsthomestaxcredit.org](http://www.firsthomestaxcredit.org) or call Rhode Island Housing at (401) 457-1101.

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