



DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, D.C. 20224

OFFICE OF
CHIEF COUNSEL

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CC:ITA:B4:
CONEX-144958-09

UIL: 36.00-00

The Honorable Robert E. Andrews
Member, U.S. House of Representatives
515 Grove Street, Suite 3C
Haddon Heights, NJ 08035

Attention:

Dear Congressman Andrews:

I am responding to your inquiry dated October 7, 2009, on behalf of your constituent, . She asked why she cannot take the first-time homebuyer credit for a home that she is considering purchasing from her parents.

Congress added section 36 to the Internal Revenue Code (the Code) to provide a credit to first-time homebuyers for purchases made in 2008 and 2009. The purchase of a residence from certain relatives, including parents, does not qualify for the credit (section 36(c) of the Code). Because would be purchasing a home from her parents, she cannot take the first-time homebuyer credit.

The statute does not contain any exceptions or grant the Internal Revenue Service the authority to make exceptions to this rule. Any changes to the law would require legislative action by Congress.

I hope this information is helpful. If you have any questions, please contact or me at .

Sincerely,

Michael J. Montemurro
Chief, Branch 4
Office of Associate Chief Counsel
(Income Tax and Accounting)