



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

OFFICE OF  
CHIEF COUNSEL

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The Honorable Charles E. Schumer  
United States Senator  
757 Third Avenue, Suite 17-02  
New York, New York 10017

Attention:

Dear Senator Schumer:

This letter responds to your enquiry dated September 8, 2009, submitted on behalf of your constituent, . He asked why he cannot take the first-time homebuyer credit for a home that he purchased from his parents.

Congress added section 36 to the Internal Revenue 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 for purchases made in 2008 or 2009. Because purchased his home from his parents, he 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)