



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

OFFICE OF THE CHIEF COUNSEL

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The Honorable Bob Corker
United States Senator
3322 West End Avenue, Suite 610
Nashville, TN 37203

Attention:

Dear Senator Corker:

I am responding to your inquiry dated May 11, 2010, on behalf of your constituent, . asked whether taxpayers affected by the floods in Tennessee that are Presidentially-declared disasters can obtain an extension of the deadlines to complete the purchase of a home to qualify for the homebuyers tax credit.

First-time homebuyers and long-time residents of the same principal residence may qualify for a refundable tax credit for the purchase of a principal residence (section 36 of the Internal Revenue Code (the Code)). To qualify for the credit, a taxpayer must complete the purchase of a home: (1) before May 1, 2010, or (2) before July 1, 2010, if the taxpayer enters into a binding contract before May 1, 2010, to close on the purchase the home before July 1, 2010 (section 36(h) of the Code). These deadlines apply regardless of whether the home is located in a Presidentially-declared disaster area.

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

Sincerely,

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