



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

OFFICE OF THE CHIEF COUNSEL

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The Honorable Mark Begich
United States Senator
101 12th Avenue, Room 206
Fairbanks, AK 99701

Attn:

Dear Senator Begich:

This letter responds to your inquiry dated May 21, 2010, on behalf of your constituent, . asked whether qualified for the first-time homebuyer tax credit for the residence he purchased April 26, 2010. had previously owned a home that he sold on June 11, 2007, upon receiving orders to move from the .

Generally, section 36 of the Internal Revenue Code (the Code) provides a refundable credit to first-time homebuyers for the purchase of a principal residence. A first-time homebuyer is defined as any individual who has not had an ownership interest in a principal residence at any time during the three-year period before the date of the purchase of the home. If married, both spouses must be first-time homebuyers as of the date of the purchase (section 36(c)(1) of the Code). If either spouse owned a principal residence during the three-year period, neither qualifies for the credit.

does not qualify for the first-time homebuyer's credit, because owned a principal residence in the three-year period preceding April 26, 2010. The statute provides no exception to the three-year rule based on military reassignment.

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If you have any questions, please contact _____ or _____ at _____.

Sincerely,

William A. Jackson
Chief, Branch 5
Office of Associate Chief Counsel
(Income Tax & Accounting)