

2010 Application for New Home / First-Time Buyer Credit

3549-A

Part I Type of Credit

Check the credit for which you are applying.

New Home Credit First-Time Buyer Credit

If New Home Credit, did you request a reservation? Yes No

Part II Property Information

TYPE or PRINT CLEARLY

Address of Property Sold		Parcel Number	
City	State	ZIP Code	County

Part III Seller's Information – New Home Credit only

Seller's name		
FEIN or CA Corp no.	Secretary of State (SOS) file number	SSN or ITIN
Address (number and street, suite, room, PO Box, or PMB no.)		
City	State	ZIP Code

Part IV Seller's Certification – New Home Credit only

Perjury Statement

Under penalties of perjury, I hereby certify that the property is a single family residence that has **never been previously occupied**. I certify that the information provided above, to the best of my knowledge and belief, is true and correct.

● Seller's signature: _____ Date: _____

Seller's contact name: _____ Telephone number: (_____) _____ - _____

Part V Escrow Information

1 Escrow number ● 1 _____

2 Date escrow closed ● 2 _____
MM / DD / YYYY

Escrow company name _____

Contact person _____

Contact person telephone number (_____) _____ - _____

3 Total Purchase Price ● 3 _____ | 00

4 Will all the buyers, disregarding buyers on title for incidental purposes who do not have an ownership percentage, be living in the home as their principal residence and if this is not a new home, do all the buyers also qualify as first-time buyers? See instructions before checking the applicable box. ● Yes No

Do not complete Line 5 if you checked "No" on Line 4.

5 Enter 5% (.05) of the Total Purchase Price (line 3) or \$10,000, whichever is less. This is the total credit amount. ● 5 _____ | 00

Do not complete Line 6 or Line 7 if you checked "Yes" on Line 4.

6 Enter the Qualified Purchase Price. See instructions to determine the Qualified Purchase Price. ● 6 _____ | 00

7 Enter 5% (.05) of the Qualified Purchase Price (line 6) or \$10,000, whichever is less. This is the total credit amount. ● 7 _____ | 00

FAX completed form (Side 1 and Side 2) and the final settlement statement to: 916.855.5577

Part VI Qualified Buyer's Information

Escrow Number: _____

Buyer's Qualifications

To qualify, you must meet ALL of the following:

- I am purchasing a single family residence in which I intend to live for a minimum of two years as my principal residence.
- I am purchasing a principal residence which is eligible for the CA homeowner's exemption under R&TC Section 218.
- I have not received the 2009 New Home Credit under R&TC Section 17059.
- I am 18 years old or older as of the date of purchase.
- I am not related to the seller within the meaning of IRC Section 267.
- I do not qualify as a dependent of any other taxpayer for the taxable year of the purchase.

TYPE or PRINT CLEARLY

Buyer 1. (Married/RDP couples are considered to be **one** buyer. If married/RDP, enter the combined percentage in the Buyer's Ownership Percentage field.)

First name		MI	Last name	
SSN or ITIN	<input type="checkbox"/> First-Time Buyer. I certify that I (and my spouse/RDP) have not had an ownership interest in a principal residence during the preceding three-year period ending on the date of the purchase of the qualified principal residence.			
Spouse's/RDP's first name (if applicable)		MI	Spouse's/RDP's last name	
Spouse's/RDP's SSN or ITIN	<input type="checkbox"/> First-Time Buyer. I certify that I (and my spouse/RDP) have not had an ownership interest in a principal residence during the preceding three-year period ending on the date of the purchase of the qualified principal residence.			
Mailing address (where you want FTB to send your certificate)				
City			State	ZIP Code
Buyer's Ownership Percentage	Buyer's Individual Credit	Telephone number		
_____ %	\$ _____ , _____ .00	(_____) _____ - _____		
Perjury Statement: Under penalties of perjury, I declare, to the best of my knowledge and belief, the information on this application is true, correct, and complete, and I meet all of the qualifications.				
Buyer's signature			Date	
Spouse's/RDP's signature (if applicable)			Date	

Buyer 2. (Do not include buyers who will not live in the home, do not qualify for the credit, or are on title for incidental purposes and do not have an ownership interest.)

First name		MI	Last name	
SSN or ITIN	<input type="checkbox"/> First-Time Buyer. I certify that I (and my spouse/RDP) have not had an ownership interest in a principal residence during the preceding three-year period ending on the date of the purchase of the qualified principal residence.			
Spouse's/RDP's first name (if applicable)		MI	Spouse's/RDP's last name	
Spouse's/RDP's SSN or ITIN	<input type="checkbox"/> First-Time Buyer. I certify that I (and my spouse/RDP) have not had an ownership interest in a principal residence during the preceding three-year period ending on the date of the purchase of the qualified principal residence.			
Mailing address (where you want FTB to send your certificate)				
City			State	ZIP Code
Buyer's Ownership Percentage	Buyer's Individual Credit	Telephone number		
_____ %	\$ _____ , _____ .00	(_____) _____ - _____		
Perjury Statement: Under penalties of perjury, I declare, to the best of my knowledge and belief, the information on this application is true, correct, and complete, and I meet all of the qualifications.				
Buyer's signature			Date	
Spouse's/RDP's signature (if applicable)			Date	

Instructions for Form FTB 3549-A

Application for New Home / First-Time Buyer Credit

What's New

The New Home/First-Time Buyer Credits are available for taxpayers who purchase a qualified principal residence on or after May 1, 2010, and on or before December 31, 2010.

Additionally, the New Home Credit is available for taxpayers who purchase a qualified principal residence on or after January 1, 2011, and before August 1, 2011, pursuant to an enforceable contract executed on or before December 31, 2010. Taxpayers may apply for the tax credits if they have entered into a contract before May 1, 2010, as long as escrow closes on or after May 1, 2010.

Taxpayers are only allowed one credit. If a taxpayer qualifies for both the New Home Credit and the First-Time Buyer Credit, the taxpayer will receive the New Home Credit.

Each credit is the lesser of five percent of the purchase price of the qualified principal residence or ten thousand dollars (\$10,000). The credits are claimed over three consecutive years, in equal amounts, against net tax. They are not refundable, and there is no carryover provision.

Example: If the taxpayer's credit for the taxable year is \$3,333, and the tax liability is \$300, the taxpayer may only use \$300 of the credit and the unused credit may not be refunded or carried over to the following year.

The total allocation amount for each credit is capped at \$100 million for a total of \$200 million between the two credits. Once the \$100 million cap has been reached, we will no longer accept applications for that credit. Go to ftb.ca.gov and search for **new home** before completing the application to see if we are still accepting applications.

Reservations: Taxpayers who qualify for the New Home Credit may, but are not required to, reserve a tax credit prior to the close of escrow. Reservations will become important as we near the \$100 million cap for homes that may not close escrow before the cap is reached as a reservation will "hold the taxpayer's place in line" until two weeks after escrow closes. Even if you request a reservation, you must still complete and submit this application within **two weeks after** escrow closes. You may not request a reservation for the First-Time Buyer Credit. For more information about the reservation process, get form FTB 3549-RR, Reservation Request for New Home Credit. Also, go to ftb.ca.gov and search for **new home**.

General Information

Registered Domestic Partner – For purposes of California income tax, references to a spouse, husband, or wife also refer to a California Registered Domestic Partner (RDP), unless otherwise specified.

Round Cents to Dollars – Round cents to the nearest whole dollar. For example, round \$50.50 up to \$51 or round \$25.49 down to \$25.

A Purpose

Use form FTB 3549-A, Application for New Home/First-Time Buyer Credit if you are:

- A seller of a new home which has never been occupied and are selling to any individual who purchases the residence on or after May 1, 2010, and on or before December 31, 2010.
- A seller of a new home which has never been occupied and are selling to any individual who purchases the residence on or after January 1, 2011, and before August 1, 2011, pursuant to an enforceable contract executed on or before December 31, 2010.
- A first-time buyer purchasing a principal residence on or after May 1, 2010, and on or before December 31, 2010.

New Home Credit

For homes that have never been occupied, the seller first completes Parts II, III, and IV of form FTB 3549-A, certifying that the home has never been occupied. If the buyer qualifies for the credit, the buyer completes the rest of form FTB 3549-A (Parts I, V, and VI).

First-Time Buyer Credit

For the First-Time Buyer Credit, the buyer completes all parts, except Parts III and IV, of form FTB 3549-A and certifies that he/she (and spouse/RDP, if applicable) is an individual who has not had an ownership interest in a principal residence during the preceding three-year period ending on the date of the purchase of the qualified principal residence. Parts III and IV are not required for the First-Time Buyer Credit.

New Home or First-Time Buyer Credit

Fax a copy of form FTB 3549-A and the properly executed final settlement statement (generally the buyer's final HUD-1 statement) to the FTB within **two weeks after** escrow closes, at 916.855.5577.

Important: Applications received before escrow closes will be denied.

The copy received from the seller or escrow person does not constitute an allocation of credit to the buyer; instead the buyer will receive a letter from the FTB certifying the allocation of tax credit. The buyer cannot claim either credit unless they receive a Certificate of Allocation from the FTB.

B Qualifications

California allows a credit against net tax equal to the lesser of five percent of the purchase price of the qualified principal residence or ten thousand dollars (\$10,000).

The credit will not be allocated by FTB if any of the following apply:

- In the case of the New Home Credit, the seller does not certify that the residence has never been previously occupied.
- In the case of the First-Time Buyer Credit, the buyer or the buyer's spouse/RDP, regardless of whether the spouse will be on title, had an ownership interest in a principal residence during the preceding three-year period.
- The taxpayer does not intend to occupy the home as his/her principal residence for at least two years immediately following the purchase.
- The taxpayer was allowed a 2009 New Home Credit.
- The taxpayer is under 18 years old.
- The taxpayer or taxpayer's spouse/RDP is related to the seller.
- The taxpayer qualifies as a dependent of any other taxpayer for the taxable year of the purchase.
- The application and copy of the properly executed settlement statement are not received within **two weeks after** escrow closes.
- The application is received before escrow closes.

For two or more taxpayers who are not married/RDP, the credit shall be allocated among the taxpayers who will occupy the home as their principal residence using their percentage of ownership in the property. The total credit allocated to all of these taxpayers shall not exceed ten thousand dollars (\$10,000).

The FTB may request documentation to ensure the parties have complied with the requirements of the credit under Revenue and Taxation Code (R&TC) Section 17059.1.

C Definitions

“*New Home Credit*” is a credit for a home that has never been previously occupied.

“*First-Time Buyer Credit*” is a credit for a first-time buyer (as defined below) who is buying a home that has been previously occupied.

“*First-time buyer*” is any individual (and the individual’s spouse/RDP, if married/RDP on the date of purchase) who did not have an ownership interest in a principal residence, either in or out of California, during the preceding three-year period ending on the date of the purchase of the qualified principal residence.

A “*qualified principal residence*” means a single-family residence, whether detached or attached, that is purchased to be the principal residence of the taxpayer, is eligible for the CA homeowner’s exemption under R&TC Section 218, and has either never been occupied or is purchased by a first-time home buyer.

- Types of residence: Any of the following can qualify if it is your principal residence and is subject to property tax, whether real or personal property: a single family residence, a condominium, a unit in a cooperative project, a houseboat, a manufactured home, or a mobile home.
- Owner-built property: A home constructed by an owner-taxpayer is **not** eligible because the home has not been “purchased.”

A “*qualified buyer*” is an individual who purchases a single-family residence, whether detached or attached, intends to live in the qualified principal residence for a minimum of two years, is 18 years old or older as of the date of purchase, is not related to the seller, and is not a dependent of any other taxpayer.

“*Total purchase price*” is the price before reduction of ownership percentage.

“*Qualified purchase price*” is the price after reduction of the non-qualified buyer’s ownership percentage.

“*Purchase date*” is the date escrow closes.

“*Two weeks*” means a 14 calendar day period. We will count the day after escrow closes as the first full day.

Example: Escrow closes May 1, 2010. We will accept an application filed May 1, 2010, through May 15, 2010.

D Limitations

The credit cannot reduce regular tax below the tentative minimum tax (TMT).

This credit cannot be carried over and is nonrefundable.

E Claiming the Credit

The buyer must receive a Certificate of Allocation from FTB to claim the credit.

The credit must be claimed only on a timely filed original return, including returns filed on extension. **Exception:** Taxpayers who receive their Certificate of Allocation for the New Home Credit after filing their 2010 tax return may claim the credit on an amended income tax return for that taxable year.

The credit must be applied in equal amounts (1/3 each year) over the three successive taxable years beginning with the taxable year in which the purchase of the qualified principal residence is made. If the available credit exceeds the current year net tax, the credit may not be refunded and the unused credit may not be carried over to the following year.

Example: If the taxpayer’s credit for the taxable year is \$3,333 and the tax liability is \$300, the taxpayer may only use \$300 of the credit and the unused credit may not be refunded or carried over to the following year.

If you do not live in the home as your qualified principal residence for at least two years immediately following the purchase, any remaining unapplied credit will be canceled and any previously applied credit must be recaptured. For more information, see FTB Pub. 3549, New Home/First-Time Buyer Credit, available after December 15, 2010.

F Filing Form FTB 3549-A

Fax a copy of form FTB 3549-A and the properly executed final settlement statement (generally the buyer’s final HUD-1 statement) to the FTB within **two weeks after** escrow closes.

It is best that the escrow company, on behalf of the buyer, fax the completed application and settlement statement. (The buyer retains ultimate responsibility to ensure the completed application and settlement statement are submitted timely to the FTB.)

Applications received before escrow closes will be denied.

Send only **one** application per fax. Do not include the instructions.

Do not mail the form. Applications sent by mail will not be processed.

FTB’s FAX Number is 916.855.5577

Do not use any other fax number.

Applications sent to any other FTB fax number will not be processed.

Verify the fax confirmation to make sure it was sent to the correct fax number. Keep a copy of the fax confirmation.

We will post a notice on our website when the credit has been fully allocated and we stop accepting reservation requests and applications. Go to ftb.ca.gov and search for **new home**. For more information, contact Withholding Services and Compliance at:

Telephone: **888.792.4900**
916.845.4900

Specific Instructions

Part I – Type of Credit

If you qualify for both the New Home Credit and the First-Time Buyer Credit, check the New Home Credit box.

If you check the New Home Credit box, check whether you previously requested a reservation.

Part II – Property Information

Enter the address of the property sold, including parcel number and county.

Part III – Seller’s Information

The Seller’s Information applies to the New Home Credit only.

Enter the name, address, and identification number of the seller. If the seller is an individual, enter the SSN or ITIN. If the seller is a partnership or corporation, enter the FEIN or CA corporation number. If the seller is a limited liability company (LLC), enter the Secretary of State (SOS) file number.

Include the Private Mail Box (PMB) in the address field. Write “PMB” first, then the box number. **Example:** 111 Main Street PMB 123.

Part IV – Seller’s Certification

The Seller’s Certification applies to the New Home Credit only.

If the home has never been occupied, complete the Seller’s Certification, sign and date. Only the seller may certify that the property has never been occupied.

Part V – Escrow Information

Line 1 – Escrow Number

Enter the escrow number for the property purchased.

Line 2 – Date Escrow Closed

Enter the date escrow closed. Complete the escrow information, including the escrow company name, contact person, and telephone number.

Line 3 – Total Purchase Price

Enter the total purchase price of the property. If there is more than one buyer, this is the total amount paid by **ALL** buyers.

Line 4

To determine the appropriate box to check on line 4, review the instructions and examples below for the credit you are applying for.

New Home Credit

Are all the buyers going to live in the home as their principal residence, AND do all the buyers qualify for the credit? (See Buyer's Qualifications at the top of side 2 of the form.) Disregard any buyers on title for incidental purposes who do not have an ownership interest. Check the applicable box.

- If you checked "Yes," go to line 5.
- If you checked "No," but at least one of the buyers is going to live in the house as their principal residence AND qualifies for the credit, go to line 6.
- If you checked "No," and none of the buyers are going to live in the home as their principal residence, **STOP**. No one qualifies for the credit. **Do not** send the form to FTB.

Example 1: Assume all buyers in this example meet all other qualifications.

Buyer 1, 2, and 3 purchase a new home together. Buyer 1 and 2 are going to live in the home as their principal residence. Buyer 3 is not going to live in the house.

Principal residence test:

Only buyer 1 and 2 are qualifying buyers. Skip line 5; go to line 6.

First-Time Buyer Credit

Are all the buyers going to live in the home as their principal residence, AND do all the buyers qualify as first-time buyers? (See Buyer's Qualifications at the top of Side 2 of the form.) Disregard any buyers on title for incidental purposes who do not have an ownership interest. Check the applicable box.

- If you checked "Yes," go to line 5.
- If you checked "No," but at least one of the buyers is going to live in the home as their principal residence AND qualifies as a first-time buyer, go to line 6.
- If you checked "No," and none of the buyers meet the principal residence test **AND** the first-time buyer test, **STOP**. No one qualifies for the credit. **Do not** send the form to FTB.

Example 2: Assume all buyers in this example meet all other qualifications.

Buyer 1, 2, and 3 purchase a new home together.

Principal residence test:

Buyer 1 and 2 are going to live in the home as their principal residence. Buyer 3 is not going to live in the house. Buyer 1 and 2 qualify under the principal residence test.

First-time buyer test:

Buyer 1 has not owned a home for over three years. Buyer 2 recently sold their home to have the money to purchase this house. Buyer 3 has never owned a home. Buyer 1 and 3 qualify under the first-time buyer test.

Buyer 1 is the only qualifying buyer because he/she meets the 'principal residence test' AND the 'first-time buyer test'.

Skip line 5; go to line 6.

Line 5

If you checked "No" on line 4, skip line 5, and go to line 6.

If you checked "Yes" on line 4, enter five percent of the Total Purchase Price, from line 3, or \$10,000, whichever is less. This is the total credit amount. **Do not** complete line 6 or line 7. Go to the instructions for Part VI, Qualified Buyer's Information.

Example 3:

Total Purchase Price	\$250,000
	X 5%
	\$12,500

Since \$12,500 is greater than the maximum credit amount of \$10,000, the total credit amount is \$10,000.

Line 6

To compute line 6, first complete Part VI Qualified Buyer's Information, on Side 2 of the form, for each qualified buyer. **Do not** enter information for buyer(s) on the Qualified Buyer's Information schedule who will not be living in the home as their principal residence for at least two years, or if this is not a new home, buyers who do not qualify as first-time buyers. Do not complete the Buyer's Individual Credit amount yet. This will be computed and entered after completing line 6 and line 7 of form FTB 3549-A. .

After completing the Qualified Buyer's Information (except for the Buyer's Individual Credit), compute the Qualified Purchase Price.

Qualified Purchase Price

Compute the Total Qualified Ownership Percentage by adding the Ownership Percentage for each Qualified Buyer from Part VI of the form.

Multiply the Total Qualified Ownership Percentage by the Total Purchase Price amount from line 3, on Side 1, of the form. This is the Qualified Purchase Price. Enter this amount on line 6.

Example 4:

The Total Purchase Price on line 3 is \$180,000. There is one non-qualified buyer whose 10% ownership percentage will not be included. There are three qualified buyers with the following listed ownership percentages:

Qualified Buyer	Ownership Percentage
Buyer 1	50.00%
Buyer 2	20.00%
Buyer 3	20.00%
Total Qualified Ownership Percentage	90.00%

Multiply the Total Purchase Price from line 3 by the Total Qualified Ownership Percentage, to compute the Qualified Purchase Price.

Total Purchase Price	\$180,000
Total Qualified Ownership Percentage	X 90%
Qualified Purchase Price	\$162,000

The Qualified Purchase Price entered on line 6 would be \$162,000.

Line 7

Enter five percent of the Qualified Purchase Price amount from line 6, or \$10,000, whichever is less.

This is the total credit amount.

Example 5:

Qualified Purchase Price	\$162,000
	X 5%
Total credit amount	\$8,100

Part VI – Qualified Buyer's Information

Complete the Qualified Buyer's Information, on Side 2, of the form, for each qualified buyer. If there are more than two qualified buyers, attach additional copies of Side 2 of form FTB 3549-A, as needed. If the buyer is on title as a grantor or revocable trust, enter the first name, middle initial, and last name of the grantor(s).

Married/RDP couples are treated as one buyer. Information for both spouses/RDPs should be entered in one buyer block.

Example 6, on the next page, shows how a married/RDP couple, who are the only buyers and qualify for the full \$10,000 New Home Credit, would complete the Qualified Buyer's Information.

Do not include buyers who are on title for incidental purposes and do not have an ownership interest. **Do not** include buyers who do not qualify for the credit.

First-time Buyer

If you are applying for the First-Time Buyer Credit and are a first-time buyer (as defined), check the First-Time Buyer Box.

Buyer's Ownership Percentage

This must be your legal ownership percentage. If there is more than one buyer, you may not enter an ownership percentage other than your legal percentage so that one buyer may claim more of the credit.

Buyer's Individual Credit

If "Yes" is checked on line 4:

For each qualified buyer, multiply the Buyer's Ownership Percentage by the Total Credit Amount, on line 5. Enter the Buyer's Individual Credit amount in Part VI, in the respective Buyer's Individual Credit box for each qualified buyer.

If "No" is checked on line 4:

Compute the Buyer's Individual Credit for each qualified buyer using the following formula:

$$\frac{\text{Buyer's Individual Ownership Percentage}}{\text{Total Qualified Ownership Percentage}} \times \text{Total credit amount}$$

Enter the Buyer's Individual Credit amount in Part VI, in the respective Buyer's Individual Credit box for each qualified buyer. Round your credit to the nearest whole dollar.

Example 7:

There are three qualified buyers with the following ownership percentages:

- Buyer 1: 50%
- Buyer 2: 20%
- Buyer 3: 20%

The Total Qualified Ownership Percentage is 90% (50%+20%+20%). The total credit from line 7 is \$8,100. The individual credit amount for each buyer will be:

- Buyer 1: (50% / 90%) x \$8,100 = \$4,500
- Buyer 2: (20% / 90%) x \$8,100 = \$1,800
- Buyer 3: (20% / 90%) x \$8,100 = \$1,800
- Total credit amount \$8,100

Example 6: This example shows how a married/RDP couple who are the only buyers and qualify for the full \$10,000 New Home Credit should complete the Qualified Buyer's Information.

First name C H R I S	MI X	Last name B U Y E R
SSN or ITIN 1 2 3 4 5 6 7 8 9	<input type="checkbox"/> First-Time Buyer. I certify that I (and my spouse/RDP) have not had an ownership interest in a principal residence during the preceding three-year period ending on the date of the purchase of the qualified principal residence.	
Spouse's/RDP's first name (if applicable) P A T	MI X	Spouse's/RDP's last name B U Y E R
Spouse's/RDP's SSN or ITIN 9 8 7 6 5 4 3 2 1	<input type="checkbox"/> First-Time Buyer. I certify that I (and my spouse/RDP) have not had an ownership interest in a principal residence during the preceding three-year period ending on the date of the purchase of the qualified principal residence.	
Mailing address (where you want FTB to send your certificate) 1 2 3 4 B U Y E R W A Y		
City B U Y E R V I L L E	State C A	Zip Code 1 2 3 4 5 - 1 2 3 4
Buyer's Ownership Percentage 1 0 0 . 0 0 %	Buyer's Individual Credit \$ 1 0 , 0 0 0 . 00	Telephone number (X X X) X X X - X X X X