

Congress of the United States

House of Representatives

Washington, DC 20515-2802

February 4, 2009

Help the Economy – Address the Housing Crisis

Dear Colleague:

As Congress works to stimulate our economy, we should consider housing a major economic engine and a key part of the solution for creating jobs and growth. Housing normally accounts for 16% of our economy, but the industry has lost more than 3 million jobs recently. Nationwide, 6 million homes are vacant, and housing supply has far outstretched demand.

That's why I introduced H.R. 802, to expand the current homebuyer tax credit. The current homebuyer tax credit is \$7,500 and expires on June 30, 2009. In addition, the credit is "recaptured" or repaid, which severely curtails its usefulness. In addition to eliminating the recapture requirement, my bill would expand this credit in the following ways:

- First, it expands the credit's timeframe to December 31, 2009, instead of June 30, 2009.
- Second, it expands eligibility to any purchaser of a primary residence, not just first-time homebuyers.
- Third, it requires purchasers make a 5% downpayment to qualify, to promote responsible homeownership.

The housing industry also generates significant tax revenue for States and local governments – 1 million single family homes mean \$89 billion in federal, state and local tax revenue. These same homes mean nearly \$5 billion in consumer spending on furniture, appliances, etc. All of this spending will be a benefit to our economy.

These commonsense improvements to the homebuyer tax credit would help revive the housing market, create jobs, and provide a huge economic boost, not to mention helping more families achieve the American dream of owning their own home.

For more information or to cosponsor the bill, please contact Greg Facchiano in my office at x56155. Thank you.

Sincerely



DEAN HELLER
Member of Congress