

*Renews call for expansion as well as extension*

**WASHINGTON, DC** - U.S. Rep Harry Mitchell today welcomed Senate Majority Leader Harry Reid's call to extend the \$8,000 homebuyer tax credit as a good first step and renewed his call to expand, as well as extend, the tax credit.

"The current \$8,000 credit for first-time buyers has had a constructive effect on our housing market and I am happy to hear that Senator Reid supports its extension," Mitchell said. "But we can do more. We should expand the tax credit by making it available to every qualified American who wants to buy a home, not just first-time home buyers, and should examine increasing the value of the credit as well. Jumpstarting the housing market is critical to Arizona's economy, and an expanded and extended tax credit for homebuyers will help accelerate our recovery."

Earlier today, Reid said he expects Congress to extend the \$8,000 tax credit for first-time homebuyers which is set to expire Dec. 1. Reid said the program has support from both Democrats and Republicans, and continuing it would be on the agenda before Congress adjourns in December. He envisions extending it for a year at the current \$8,000 level. [Source: [Las Vegas Sun](#), August 5, 2009]

The American Recovery and Reinvestment Act included the temporary \$8,000 tax credit for first-time homebuyers, a tax incentive that is helping to spur the housing market for homes priced below \$150,000 [Source: [Arizona Republic](#), May 27, 2009].

Following the institution of the \$8,000 tax credit, the Phoenix metro area has seen a growth in first-time home sales, especially in homes below \$150,000. According to at least one recent survey, home sales reached 9,614 in June, up 11 percent from May [Source: [The Arizona Republic](#), July 8, 2009].

Mitchell has called for the expansion and extension of the tax credit and cosponsored two bipartisan bills: H.R. 101, The Economic Recovery Through Responsible Homeownership Act of 2009, which would provide up to \$10,000 in tax breaks to any homebuyer who makes a qualifying down payment and H.R. 1245, the Homebuyer Tax Credit Act of 2009, which would provide a tax credit of up to \$15,000. H.R. 1245 has been endorsed by the National Association of Realtors, the Mortgage Bankers Association, Business Roundtable, and the

American Land Title Association.

A measure similar to H.R. 1245 is currently pending before the Senate. S. 1230, the Home Buyer Tax Credit Act of 2009, was introduced in June by Senate Banking, Housing and Urban Affairs Committee Chairman Chris Dodd (D-Conn.) and Senator Johnny Isakson (R-Ga.).

While in Congress, Mitchell has had a strong record of providing tax relief for families in Arizona. In addition to tax credits for homebuyers, Mitchell has also voted for tax cuts and incentives impacting American families, small businesses, and renewable energy producers and consumers. Included in these cuts is the Making Work Pay Tax Cut, which provides \$1.1 Billion in immediate and sustained tax relief to over two million Arizona families. The relief provides a refundable tax credit of up to \$400 per individual or \$800 per couple filing jointly. By April 1st, 2009, most workers began seeing an increase in their take-home pay [Source: Recovery.gov].