

Washington, DC – Today, Congressman Walz voted to extend the popular first-time homebuyers tax credit and to expand it to homeowners who've owned their home for five or more years and are purchasing a new primary residence. The bill also extends unemployment benefits in all 50 states by an additional 14 weeks. After passing the U.S. House of Representatives today, the bill is now on its way to President Obama for his signature.

“The recovery of our housing market is critically important and this extended and expanded incentive will help things continue to move in the right direction. We've expanded this credit so some existing homeowners as well as first time home buyers will benefit,” said Walz. “Additionally, this bill extends unemployment for 14 weeks in all 50 states. Our economy is starting to turn around, but it may be awhile before employers start hiring again. This bill does the right thing to help families in a tough spot.”

The bill extends and expands the Homebuyer Tax Credit program to allow first time homebuyers continued access to an \$8,000 tax credit on home purchases made until April 30, 2010. The bill expands the program to make a tax credit of up to \$6,500 available to homebuyers who have owned a home for five consecutive years and are purchasing a new primary residence. The qualifying income cap will also be increased to \$125,000 for individuals and to \$225,000 for married couples. It also helps military families struggling to make mortgage payments by making those payments tax-exempt.

The extension is fully paid for and will provide immediate, effective stimulus to the local economy. The Congressional Budget Office has cited unemployment benefits as one of the most cost-effective forms of economic stimulus, and every dollar spent on unemployment benefits generates \$1.63 in new demand, according to Moody's chief economist Mark Zandi.

The legislation will provide families in all states with 14 weeks of additional benefits, and six more weeks to the 27 states with the highest unemployment rates – where it is most difficult for

workers to find employment. To breathe life back into American businesses suffering from huge losses, this bill allows U.S. companies to carry back losses incurred in either 2008 or 2009 against income earned in any of the five prior years.