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United States Government Accountability Office  
Washington, DC 20548

September 2, 2010

The Honorable John Lewis  
Chairman  
Subcommittee on Oversight  
Committee on Ways and Means  
House of Representatives

Subject: *Tax Administration: Usage and Selected Analyses of the First-Time Homebuyer Credit*

Mr. Chairman:

As an important part of the economic stimulus efforts, Congress enacted the First-Time Homebuyer Credit (FTHBC) to assist the struggling real estate market and encourage taxpayers to purchase their first homes.<sup>1</sup> Congress enacted different versions of the FTHBC—as part of the Housing and Economic Recovery Act of 2008 (Housing Act); the American Recovery and Reinvestment Act of 2009 (Recovery Act); and the Worker, Homeownership, and Business Assistance Act of 2009 (Assistance Act).<sup>2</sup> The dollar amounts that can be claimed and rules associated with the credit, including potential repayment, vary depending on the version. Joint Committee on Taxation estimates suggest that the three FTHBC provisions combined may result in total revenue losses to the federal government of about \$22 billion through 2019.<sup>3</sup>

In response to your request for updated information on the use of the FTHBC, our objectives were to identify

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<sup>1</sup>For purposes of this credit, a first-time homebuyer is any individual who has not had an ownership interest in any principal residence during the three-year period prior to the date of the purchase of the home eligible for the credit. 26 U.S.C. § 36(c)(1).

<sup>2</sup>Pub. L. No. 110-289, § 3011, 122 Stat. 2654 (July 30, 2008); Pub. L. No. 111-5, div. B, tit. I, § 1006, 123 Stat. 115 (Feb. 17, 2009); and Pub. L. No. 111-92, § 11, 123 Stat. 2984 (Nov. 6, 2009), respectfully. Also, in June 2010, the Homebuyer Assistance and Improvement Act of 2010 extended the closing date from June 30 to September 30 for any eligible homebuyer who entered into a binding purchase contract on or before April 30, 2010. Pub. L. No. 111-198, 124 Stat. 1356 (July 2, 2010).

<sup>3</sup>We calculated the \$22 billion FTHBC revenue effect by adding Joint Committee on Taxation estimates from: Joint Committee on Taxation, *Estimated Revenue Effects of the Tax Provisions Contained in H.R. 3221, "The Housing and Economic Recovery Act of 2008" Scheduled for Consideration by the House of Representatives on July 23, 2008*, JCX-64-08 (Washington, D.C.: July 2008); *Estimated Budget Effects for the Revenue Provisions Contained in the Conference Agreement for H.R. 1, "The American Recovery and Reinvestment Act of 2009"*, JCX-19-09 (Washington, D.C.: March 2009); and *Estimated Revenue Effects of Certain Provisions Contained in the "Worker, Homeownership, and Business Assistance Act of 2009"* JCX-45-09 (Washington, D.C.: November 2009).

- the number of FTHBC claims and dollar amounts claimed for each credit version by state and
- state rankings, using selected statistics, such as the total dollar amount of FTHBC claimed in each state.

To meet our objectives, we obtained FTHBC data from IRS broken out by state for each version of the credit.<sup>4</sup> We ensured the reliability of the data by interviewing IRS officials about how the data are tested and how IRS determines that they are reliable. For both objectives, we interviewed IRS officials to discuss approaches for analyzing the data, discrepancies in the data, and methods for reporting the information.

To rank the states, we first separated claims made using the Housing Act (which must be repaid) from claims made using the Recovery and Assistance Acts (which generally do not need to be repaid). For all rankings, we selected statistics that, based on our judgment, would best illustrate use of the FTHBC, recognizing that different analyses produce different results. Rankings based on total dollar amount claimed and on a per capita basis are commonly used measures, and we also show the average amount of FTHBC claimed in each state per claim. IRS used FTHBC claims from Individual Master File Transaction History as the primary source to compile the data, which represents the entire population of those claiming the FTHBC and is not a sample. We obtained data from the U.S. Census Bureau's American FactFinder and used these data to rank states by total population. We found the data we used to be sufficiently reliable for our purposes.

We conducted our work from August 2010 to September 2010 in accordance with all sections of GAO's Quality Assurance Framework that are relevant to our objectives. The framework requires that we plan and perform the engagement to obtain sufficient and appropriate evidence to meet our stated objectives and discuss any limitations in our work. We believe that the information and data obtained, and the analysis conducted, provide a reasonable basis for any findings and conclusions.

## **Background**

Since the FTHBC's inception in 2008, Congress has passed three different versions of the credit to help stimulate the housing market.

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<sup>4</sup>IRS officials believe the data reflect a small overstatement in the number of Recovery Act claims and an understated number of Assistance Act claims, as IRS previously was not collecting the data to precisely associate the claims with these two particular credit versions. Further, IRS assumed that some taxpayers elected the Assistance Act version instead of the Recovery Act version—85 filers for \$593,309. In addition, 3,258 claims representing a net credit of \$9,912,897 had indeterminate purchase dates and are excluded from enclosures II through V. Of these claims, 6 claimants representing a net credit of \$183 are a part of the exclusions noted in enclosures IV and V because they had an indeterminate purchase date and were also attributable to claims from Army Post Office, American Samoa, Guam, Puerto Rico, the Virgin Islands, and claims not associated with a state. For both the 3,258 and 6 claimants, as noted above, IRS officials attributed the small amount of FTHBC to either difficulties associated with not knowing the purchase date of the home or the phase out provision.

- The Housing Act version provided taxpayers a refundable tax credit, meaning it is paid even if there is no tax liability or if the credit exceeds any tax due, equal to 10 percent of the purchase price of a home, up to a maximum of \$7,500. Taxpayers must repay the credit over 15 years beginning in the 2011 filing season.<sup>5</sup>
- The Recovery Act version provided taxpayers a refundable tax credit equal to 10 percent of the purchase price of a home, but increased the maximum credit to \$8,000 with a waiver of the repayment provision for purchases in 2009. However, taxpayers are still required to repay the credit if the home is resold or ceases to be the primary residence of the taxpayer within 3 years.<sup>6</sup>
- The Assistance Act version extended the time frame in which homebuyers could claim the Recovery Act version of the credit from November 30, 2009, to April 30, 2010, and included several modifications, such as allowing certain long-term homeowners purchasing new homes to claim a tax credit up to \$6,500.

Enclosure I provides a more detailed comparison of the differences among the three versions of the FTHBC.

Last year we reported on taxpayers' use of the FTHBC and the Internal Revenue Service's (IRS) implementation and compliance challenges and ranked states in relative order using the total amount of FTHBC taxpayers had claimed from 2008 through 2009.<sup>7</sup>

## Results

Through July 3, 2010, IRS reported the following<sup>8</sup>:

- About 1 million claimants claimed \$7.3 billion in interest-free loans through the Housing Act provision (see table 2 in enc. II). These claimants will begin repaying their loan beginning next tax filing season, which starts in January 2011.
- About 2.3 million claimants claimed a total of \$16.2 billion using both the Recovery Act and Assistance Act provisions. Of these claimants:

<sup>5</sup>From the taxpayer's perspective, the Housing Act subsidy is an interest-free loan, and the value of the subsidy is the reduced interest cost relative to what would have been paid with alternative financing. From the federal government's perspective, the cost of the subsidy is the interest cost on the loans at the Treasury bond interest rate along with some losses from taxpayers failing to comply with the repayment provision.

<sup>6</sup>The recapture provision is limited to the amount of gain on the sale, so a taxpayer could sell within 3 years and still not owe repayment.

<sup>7</sup>GAO, *First-Time Homebuyer Tax Credit: Taxpayers' Use of the Credit and Implementation and Compliance Challenges*, GAO-10-166T (Washington, D.C.: Oct. 22, 2009). We reported state data through August 22, 2009.

<sup>8</sup>We did not combine the number of FTHBC claims and associated dollar amount across the three credit versions since some claimants claimed a version that must be repaid—under the Housing Act—and others claimed versions—under either the Recovery Act or the Assistance Act—that essentially serve as grants. The Housing Act version affects the federal revenue loss differently than the other two versions.

- About 1.7 million claimed about \$12.1 billion using the Recovery Act provision (see table 3 in enc. II). This represents half of all claims, making it the most frequently used version of the FTHBC.
- Nearly 600,000 claimed about \$4.1 billion using the Assistance Act provision. Of these, close to 400,000 claimed about \$2.9 billion using the first-time homebuyer option and nearly 200,000 claimed \$1.2 billion using the long-time homeowner option (see table 4 in enc. II). These numbers in particular are likely to increase because IRS is still processing FTHBC returns and this version can be claimed on tax returns filed during the 2011 filing season.

Enclosure II provides more information on the number of FTHBC claims and dollar amount claimed in each state.<sup>9</sup>

State rankings vary depending on the statistic used for analysis and may change as IRS continues to process FTHBC returns. The three statistics we selected—total dollar amount claimed, dollar amount claimed per resident, and average dollar amount claimed per FTHBC claim—illustrate how the results can vary.<sup>10</sup> Thus, as the following examples illustrate, care should be taken to select measures appropriate for a particular purpose.

- California, the most populous state in the country, ranked 1<sup>st</sup> with the most FTHBC dollars claimed under the Housing Act provision, as well as under the combined provisions of the Recovery and Assistance Acts. However, California ranked 32<sup>nd</sup> and 29<sup>th</sup> in the amount of FTHBC claimed per resident under the Housing Act provision and under the combined provisions of the Recovery and Assistance Acts, respectively.
- Nevada ranked 1<sup>st</sup> in the amount of FTHBC claimed per resident under the Housing Act provision, as well as under the combined provisions of the Recovery and Assistance Acts. However, Nevada ranked 26<sup>th</sup> and 24<sup>th</sup> in the amount of FTHBC dollars claimed under the Housing Act provision and under the combined provisions of the Recovery and Assistance Acts, respectively.
- Utah ranked 1<sup>st</sup> in the average dollar amount of FTHBC claimed per claim under the Housing Act provision, as well as under the combined provisions of the Recovery and Assistance Acts. However, Utah ranked 29<sup>th</sup> and 30<sup>th</sup> in the amount of FTHBC dollars claimed under the Housing Act provision and under the combined provisions of the Recovery and Assistance Acts, respectively.

Enclosures III through V provide more information on state rankings using these selected analyses.

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<sup>9</sup>IRS usually classified a claim by state based on the taxpayer's home address. However, some taxpayers may have used the address of a tax lawyer or accountant or the address of a place of business; moreover, such an address could have been located in a state other than the state in which the taxpayer resided.

<sup>10</sup>Rankings on a "per resident" basis differ from rankings on a "per FTHBC claim" basis because "per resident" rankings include all of the people in each state and "per FTHBC claim" rankings include only those taxpayers who claimed the FTHBC.

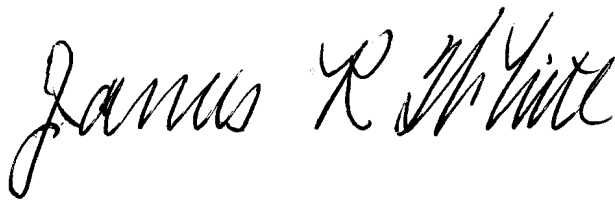
We are not making any recommendations, as, at our request, IRS took action during our review to segregate data by credit version which should provide more accurate information as a basis for more effective enforcement. Having FTHBC data in this format is critical for effective enforcement, since claimants are subject to different rules and requirements depending on the version of the credit.

We provided a draft of this report to the Commissioner of Internal Revenue for his review and comment. In response, the IRS Wage and Investment Director, Strategy and Finance, said he generally agreed with the information we presented and also provided us with technical comments, which we incorporated into the report as appropriate.

We are sending copies of this report to the Chairmen and Ranking Members of other Senate and House committees and subcommittees that have appropriation, authorization, and oversight responsibilities for IRS. We will also send copies to the Commissioner of Internal Revenue, the Secretary of the Treasury, the Chairman of the IRS Oversight Board, and the Director of the Office of Management and Budget. The report also is available at no charge on the GAO Web site at <http://www.gao.gov>.

If you or your staff have any questions or wish to discuss the material in this report further, please contact me at (202) 512-9110 or at [whitej@gao.gov](mailto:whitej@gao.gov). Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. Major contributors to this report were Joanna Stamatiades, Assistant Director; Amy Bowser; James Cook; Tom Gilbert; Mark Kehoe; Kirsten Lauber; Patricia MacWilliams; and Jeff Wojcik.

Sincerely yours,

A handwritten signature in black ink that reads "James R. White". The signature is written in a cursive, flowing style.

James R. White  
Director, Tax Issues  
Strategic Issues

**Enclosure I: Significant Differences among the Three Versions of the First-Time Homebuyer Credit**

**Table 1: Major Distinctions among the Housing, Recovery, and Assistance Acts First-Time Homebuyer Credit Versions**

	<b>Housing and Economic Recovery Act of 2008 (Housing Act)</b>	<b>American Recovery and Reinvestment Act of 2009 (Recovery Act)</b>	<b>Worker, Homeownership, and Business Assistance Act of 2009 (Assistance Act)<sup>a</sup></b>
Applicable dates	April 9, 2008 – July 1, 2009	January 1, 2009 – November 30, 2009	November 7, 2009 – June 30, 2010 (buy, or enter into a binding contract to buy, by April 30, 2010, close by June 30, 2010) <sup>b</sup>
First-time homebuyer only?	Yes	Yes	No (includes long-term owners)
Maximum amount	\$7,500	\$8,000	\$8,000
Income phase out <sup>c</sup>	Single: \$75,000 - \$95,000 Joint: \$150,000 - \$170,000	Single: \$75,000 - \$95,000 Joint: \$150,000 - \$170,000	Single: \$125,000 - \$145,000 Joint: \$225,000 - \$245,000
Repayable	Yes	No (unless resold within 3 years at a gain)	No (unless resold within 3 years at a gain)
Documentation of purchase required?	No	No	Yes <sup>d</sup>
Maximum purchase price	No	No	\$800,000

Source: GAO analysis of IRS data.

<sup>a</sup>Members of the Armed Forces and certain federal employees serving outside the U.S. have an additional year to buy a principal residence in the U.S. and qualify using the Assistance Act. An eligible taxpayer must buy or enter into a binding contract to buy a home by April 30, 2011, and settle on the purchase by June 30, 2011.

<sup>b</sup>The Homebuyers Assistance and Improvement Act of 2010 extended the closing date for the credit through September 30, 2010.

<sup>c</sup>Income phase out amounts refer to modified adjusted gross income.

<sup>d</sup>Under the Assistance Act, claimants must attach a copy of the settlement statement to the tax return.

**Enclosure II: Number of First-Time Homebuyer Credit (FTHBC) Claims and Dollar Amount Claimed by State for the Housing Act, Recovery Act, and Assistance Act, as of July 3, 2010<sup>11</sup>**

**Table 2: FTHBC Claims and Dollar Amount Claimed by State through the Housing Act, April 1, 2008, through December 31, 2008, as of July 3, 2010**

<b>State</b>	<b>Number of claims</b>	<b>Dollar amount claimed</b>
Alabama	19,680	\$132,994,367
Alaska	2,717	18,333,638
Arizona	28,072	198,366,268
Arkansas	10,734	70,506,217
California	116,896	814,238,186
Colorado	21,147	147,309,911
Connecticut	9,957	67,845,941
Delaware	2,906	20,043,339
District of Columbia	785	5,009,342
Florida	64,879	455,565,365
Georgia	42,389	295,826,953
Hawaii	2,676	18,356,976
Idaho	6,078	43,104,326
Illinois	39,986	268,704,730
Indiana	24,049	158,773,869
Iowa	12,441	81,194,212
Kansas	10,400	68,358,137
Kentucky	14,755	98,935,503
Louisiana	18,375	121,601,002
Maine	4,134	27,676,609
Maryland	18,593	126,578,147
Massachusetts	20,465	137,725,942
Michigan	39,085	246,018,554
Minnesota	21,225	143,681,041
Mississippi	12,308	78,180,183
Missouri	22,301	149,602,620
Montana	3,294	22,119,106
Nebraska	7,084	47,819,096
Nevada	14,699	104,042,332
New Hampshire	4,087	27,411,633
New Jersey	24,153	162,140,876
New Mexico	5,896	40,778,086
New York	41,960	276,922,301

<sup>11</sup>The applicable dates for each version of the credit in tables 2 through 4 differ from the applicable dates in table 1 for several reasons. First, the Recovery Act version overlapped with the Housing Act version from January 1, 2009, through July 1, 2009. Because the Recovery Act version provided a higher credit amount and waived repayment requirements, we assume eligible taxpayers took the Recovery Act version of the FTHBC for homes purchased during this time. Second, the Assistance Act was enacted on November 7, 2009, and extended the Recovery Act (with certain changes) from November 30, 2009, through April 30, 2010. As a result, we categorized Assistance Act FTHBC claims as those taking place from December 1, 2009, through April 30, 2010. Third, long-term homeowners claiming the credit under the Assistance Act could begin claiming the credit as of November 7, 2009.

<b>State</b>	<b>Number of claims</b>	<b>Dollar amount claimed</b>
North Carolina	35,079	245,646,182
North Dakota	1,973	12,600,197
Ohio	37,922	247,544,133
Oklahoma	14,998	98,841,133
Oregon	10,685	73,368,490
Pennsylvania	41,257	274,058,755
Rhode Island	3,154	21,984,972
South Carolina	16,724	114,767,872
South Dakota	2,452	15,855,035
Tennessee	24,879	172,348,326
Texas	98,971	682,732,614
Utah	12,898	93,000,660
Vermont	1,763	11,694,948
Virginia	31,409	217,720,071
Washington	20,513	142,759,715
West Virginia	4,792	30,572,209
Wisconsin	18,844	127,335,528
Wyoming	2,179	14,808,778
Army Post Office	353	2,461,683
Other <sup>a</sup>	99	609,190
<b>Total</b>	<b>1,069,150</b>	<b>\$7,276,475,299</b>

Source: GAO analysis of IRS data.

<sup>a</sup>“Other” consists of claims from the American Samoa, Guam, Puerto Rico, the Virgin Islands, and any claims not associated with a state.



**Table 3: FTHBC Claims and Dollar Amount Claimed by State through the Recovery Act, January 1, 2009, through November 30, 2009, as of July 3, 2010**

<b>State</b>	<b>Number of claims</b>	<b>Dollar amount claimed</b>
Alabama	28,007	\$200,931,726
Alaska	3,977	29,493,602
Arizona	45,310	338,462,248
Arkansas	17,603	123,252,191
California	192,830	1,446,914,804
Colorado	34,594	259,870,832
Connecticut	14,337	106,130,734
Delaware	4,384	32,375,439
District of Columbia	2,760	20,071,871
Florida	110,909	819,095,882
Georgia	56,610	413,844,175
Hawaii	3,937	29,356,380
Idaho	11,525	86,720,375
Illinois	61,712	442,025,490
Indiana	38,704	268,405,606
Iowa	21,639	150,591,074
Kansas	18,203	126,987,604
Kentucky	22,965	163,918,392
Louisiana	25,852	184,336,871
Maine	6,478	46,408,956
Maryland	27,317	203,252,189
Massachusetts	28,017	206,657,448
Michigan	65,461	415,536,242
Minnesota	37,233	271,792,674
Mississippi	16,154	111,689,923
Missouri	35,497	252,865,606
Montana	6,043	42,924,566
Nebraska	14,331	103,143,396
Nevada	23,560	177,737,574
New Hampshire	6,570	47,631,272
New Jersey	32,946	239,736,024
New Mexico	10,712	78,162,576
New York	56,120	397,838,182
North Carolina	49,317	367,895,167
North Dakota	4,874	33,918,936
Ohio	56,881	394,691,573
Oklahoma	25,448	179,338,952
Oregon	19,531	145,667,245
Pennsylvania	60,932	434,221,831
Rhode Island	5,068	37,745,821
South Carolina	24,399	178,088,750
South Dakota	5,492	38,980,306
Tennessee	41,609	307,009,163
Texas	143,979	1,054,186,021
Utah	19,443	150,469,655
Vermont	2,619	18,772,535

<b>State</b>	<b>Number of claims</b>	<b>Dollar amount claimed</b>
Virginia	45,684	343,297,469
Washington	36,638	276,315,478
West Virginia	7,370	49,702,568
Wisconsin	32,475	234,057,321
Wyoming	4,154	30,522,270
Army Post Office	762	5,824,688
Other <sup>a</sup>	109	748,978
<b>Total</b>	<b>1,669,081</b>	<b>\$12,119,616,651</b>

Source: GAO analysis of IRS data.

<sup>a</sup>“Other” consists of claims from the American Samoa, Guam, Puerto Rico, the Virgin Islands, and any claims not associated with a state.

**Table 4: FTHBC Claims and Dollar Amount Claimed by State through the Assistance Act, December 1, 2009, through April 30, 2010, as of July 3, 2010**

State	First-time homebuyers		Long-time homeowners <sup>a</sup>		Total	
	Number of claims	Dollar amount claimed	Number of claims	Dollar amount claimed	Number of claims	Dollar amount claimed
Alabama	4,966	\$35,985,324	3,205	\$19,973,171	8,171	\$55,958,495
Alaska	1,052	8,063,137	380	2,399,693	1,432	10,462,830
Arizona	11,455	86,202,510	5,278	33,028,262	16,733	119,230,773
Arkansas	3,231	22,885,364	2,174	13,569,248	5,405	36,454,612
California	54,172	414,082,835	14,300	89,957,405	68,472	504,040,239
Colorado	8,151	61,937,505	4,180	26,553,044	12,331	88,490,549
Connecticut	4,477	33,651,296	1,716	10,854,024	6,193	44,505,320
Delaware	1,121	8,429,879	595	3,725,191	1,716	12,155,070
District of Columbia	1,042	7,967,044	111	686,273	1,153	8,653,317
Florida	25,253	184,858,609	12,904	79,804,762	38,157	264,663,371
Georgia	12,003	89,117,694	5,597	34,980,489	17,600	124,098,183
Hawaii	1,520	11,556,850	370	2,328,050	1,890	13,884,900
Idaho	2,521	19,196,077	1,337	8,554,999	3,858	27,751,076
Illinois	15,465	112,923,959	7,382	46,072,665	22,847	158,996,624
Indiana	7,928	55,643,864	5,126	31,902,271	13,054	87,546,136
Iowa	3,289	23,362,451	3,003	18,901,087	6,292	42,263,538
Kansas	3,493	24,784,974	2,400	15,004,882	5,893	39,789,856
Kentucky	4,688	33,982,342	3,310	20,628,460	7,998	54,610,802
Louisiana	5,070	37,158,598	2,417	15,082,783	7,487	52,241,381
Maine	1,642	11,975,777	836	5,213,811	2,478	17,189,588
Maryland	8,355	63,682,812	2,717	16,892,780	11,072	80,575,592
Massachusetts	8,629	64,857,992	3,008	18,947,515	11,637	83,805,507
Michigan	12,245	79,424,341	7,286	43,448,883	19,531	122,873,223
Minnesota	7,588	56,186,129	4,137	26,131,259	11,725	82,317,388
Mississippi	2,602	18,443,550	1,517	9,305,399	4,119	27,748,949
Missouri	7,434	53,501,609	4,357	27,310,892	11,791	80,812,501
Montana	1,320	9,590,354	729	4,604,334	2,049	14,194,689
Nebraska	2,333	16,846,533	1,644	10,335,757	3,977	27,182,290
Nevada	6,149	46,812,931	2,018	12,642,294	8,167	59,455,225
New Hampshire	1,688	12,517,767	851	5,359,170	2,539	17,876,937
New Jersey	10,684	79,927,288	3,920	24,614,033	14,604	104,541,321
New Mexico	2,622	19,519,472	1,239	7,752,507	3,861	27,271,978
New York	19,251	140,717,386	6,496	40,294,624	25,747	181,012,010
North Carolina	11,762	88,418,421	5,947	37,492,137	17,709	125,910,559
North Dakota	968	6,869,985	759	4,729,497	1,727	11,599,482
Ohio	13,114	92,420,350	7,088	42,935,761	20,202	135,356,111
Oklahoma	5,050	36,036,277	3,311	20,715,596	8,361	56,751,873
Oregon	5,817	44,034,391	2,492	15,601,974	8,309	59,636,365
Pennsylvania	15,451	111,720,770	7,244	45,194,130	22,695	156,914,900
Rhode Island	1,440	10,826,026	492	3,098,284	1,932	13,924,310
South Carolina	5,073	37,129,884	3,272	20,469,699	8,345	57,599,584
South Dakota	1,087	7,853,998	783	4,935,585	1,870	12,789,583
Tennessee	7,397	54,583,498	4,748	29,794,848	12,145	84,378,346
Texas	31,386	233,965,052	15,614	97,981,182	47,000	331,946,233

State	First-time homebuyers		Long-time homeowners <sup>a</sup>		Total	
	Number of claims	Dollar amount claimed	Number of claims	Dollar amount claimed	Number of claims	Dollar amount claimed
Utah	4,678	36,506,256	2,119	13,501,338	6,797	50,007,594
Vermont	685	5,053,012	331	2,063,459	1,016	7,116,471
Virginia	11,758	89,907,391	4,459	27,972,187	16,217	117,879,578
Washington	10,373	79,470,311	4,339	27,516,226	14,712	106,986,537
West Virginia	1,708	11,962,512	963	5,944,989	2,671	17,907,501
Wisconsin	6,311	46,125,716	4,032	25,400,322	10,343	71,526,038
Wyoming	826	6,185,502	456	2,904,424	1,282	9,089,926
Army Post Office	189	1,471,360	19	119,359	208	1,590,719
Other <sup>b</sup>	33	234,451	6	39,000	39	273,451
<b>Total</b>	<b>398,545</b>	<b>\$2,946,569,416</b>	<b>185,014</b>	<b>\$1,155,270,014</b>	<b>583,559</b>	<b>\$4,101,839,431</b>

Source: GAO analysis of IRS data.

<sup>a</sup>Long-term homeowners claiming the credit under the Assistance Act could begin claiming the credit for homes purchased from November 7, 2009, through April 30, 2010.

<sup>b</sup>"Other" consists of claims from the American Samoa, Guam, Puerto Rico, the Virgin Islands, and any claims not associated with a state.

**Enclosure III: Ranking of First-Time Homebuyer Credit (FTHBC) Dollar Amount Claimed by State for the Housing Act, and Recovery and Assistance Acts Combined, as of July 3, 2010**

**Table 5: State Ranking of FTHBC Dollar Amount Claimed Under the Housing Act, as of July 3, 2010**

Rank	State	Number of claims	Dollar amount claimed
1	California	116,896	\$814,238,186
2	Texas	98,971	682,732,614
3	Florida	64,879	455,565,365
4	Georgia	42,389	295,826,953
5	New York	41,960	276,922,301
6	Pennsylvania	41,257	274,058,755
7	Illinois	39,986	268,704,730
8	Ohio	37,922	247,544,133
9	Michigan	39,085	246,018,554
10	North Carolina	35,079	245,646,182
11	Virginia	31,409	217,720,071
12	Arizona	28,072	198,366,268
13	Tennessee	24,879	172,348,326
14	New Jersey	24,153	162,140,876
15	Indiana	24,049	158,773,869
16	Missouri	22,301	149,602,620
17	Colorado	21,147	147,309,911
18	Minnesota	21,225	143,681,041
19	Washington	20,513	142,759,715
20	Massachusetts	20,465	137,725,942
21	Alabama	19,680	132,994,367
22	Wisconsin	18,844	127,335,528
23	Maryland	18,593	126,578,147
24	Louisiana	18,375	121,601,002
25	South Carolina	16,724	114,767,872
26	Nevada	14,699	104,042,332
27	Kentucky	14,755	98,935,503
28	Oklahoma	14,998	98,841,133
29	Utah	12,898	93,000,660
30	Iowa	12,441	81,194,212
31	Mississippi	12,308	78,180,183
32	Oregon	10,685	73,368,490
33	Arkansas	10,734	70,506,217
34	Kansas	10,400	68,358,137
35	Connecticut	9,957	67,845,941
36	Nebraska	7,084	47,819,096
37	Idaho	6,078	43,104,326
38	New Mexico	5,896	40,778,086
39	West Virginia	4,792	30,572,209
40	Maine	4,134	27,676,609

<b>Rank</b>	<b>State</b>	<b>Number of claims</b>	<b>Dollar amount claimed</b>
41	New Hampshire	4,087	27,411,633
42	Montana	3,294	22,119,106
43	Rhode Island	3,154	21,984,972
44	Delaware	2,906	20,043,339
45	Hawaii	2,676	18,356,976
46	Alaska	2,717	18,333,638
47	South Dakota	2,452	15,855,035
48	Wyoming	2,179	14,808,778
49	North Dakota	1,973	12,600,197
50	Vermont	1,763	11,694,948
51	District of Columbia	785	5,009,342
52	Army Post Office	353	2,461,683
53	Other <sup>a</sup>	99	609,190
	<b>Total</b>	<b>1,069,150</b>	<b>\$7,276,475,299</b>

Source: GAO analysis of IRS data.

<sup>a</sup>“Other” consists of claims from the American Samoa, Guam, Puerto Rico, the Virgin Islands, and any claims not associated with a state.

**Table 6: State Ranking of FTHBC Dollar Amount Claimed under the Recovery and Assistance Acts Combined, as of July 3, 2010**

<b>Rank</b>	<b>State</b>	<b>Number of claims</b>	<b>Dollar amount claimed</b>
1	California	261,302	\$1,950,955,044
2	Texas	190,979	1,386,132,255
3	Florida	149,066	1,083,759,253
4	Illinois	84,559	601,022,114
5	Pennsylvania	83,627	591,136,731
6	New York	81,867	578,850,192
7	Michigan	84,992	538,409,466
8	Georgia	74,210	537,942,358
9	Ohio	77,083	530,047,684
10	North Carolina	67,026	493,805,725
11	Virginia	61,901	461,177,047
12	Arizona	62,043	457,693,020
13	Tennessee	53,754	391,387,509
14	Washington	51,350	383,302,015
15	Indiana	51,758	355,951,741
16	Minnesota	48,958	354,110,062
17	Colorado	46,925	348,361,381
18	New Jersey	47,550	344,277,345
19	Missouri	47,288	333,678,107
20	Wisconsin	42,818	305,583,359
21	Massachusetts	39,654	290,462,955
22	Maryland	38,389	283,827,781
23	Alabama	36,178	256,890,221
24	Nevada	31,727	237,192,799
25	Louisiana	33,339	236,578,252
26	Oklahoma	33,809	236,090,825
27	South Carolina	32,744	235,688,333
28	Kentucky	30,963	218,529,194
29	Oregon	27,840	205,303,610
30	Utah	26,240	200,477,249
31	Iowa	27,931	192,854,612
32	Kansas	24,096	166,777,460
33	Arkansas	23,008	159,706,803
34	Connecticut	20,530	150,636,054
35	Mississippi	20,273	139,438,872
36	Nebraska	18,308	130,325,686
37	Idaho	15,383	114,471,451
38	New Mexico	14,573	105,434,555
39	West Virginia	10,041	67,610,069
40	New Hampshire	9,109	65,508,209
41	Maine	8,956	63,598,544
42	Montana	8,092	57,119,254
43	South Dakota	7,362	51,769,889
44	Rhode Island	7,000	51,670,131
45	North Dakota	6,601	45,518,418

<b>Rank</b>	<b>State</b>	<b>Number of claims</b>	<b>Dollar amount claimed</b>
46	Delaware	6,100	44,530,509
47	Hawaii	5,827	43,241,280
48	Alaska	5,409	39,956,432
49	Wyoming	5,436	39,612,196
50	District of Columbia	3,913	28,725,188
51	Vermont	3,635	25,889,006
52	Army Post Office	970	7,415,407
53	Other <sup>a</sup>	148	1,022,429
	<b>Total</b>	<b>2,252,640</b>	<b>\$16,221,456,081</b>

Source: GAO analysis of IRS data.

<sup>a</sup>“Other” consists of American Samoa, Guam, Puerto Rico, the Virgin Islands, and any claims not associated with a state.



**Enclosure IV: Ranking of First-Time Homebuyer Credit (FTHBC) Dollar Amount Claimed per Resident by State for the Housing Act, and Recovery and Assistance Acts Combined, as of July 3, 2010<sup>12</sup>**

**Table 7: State Ranking of FTHBC Dollar Amount Claimed Per Resident under the Housing Act, as of July 3, 2010**

Rank	State	2009 population	Dollar amount claimed	Dollar amount claimed per resident
1	Nevada	2,643,085	\$104,042,332	\$39.36
2	Utah	2,784,572	93,000,660	33.40
3	Georgia	9,829,211	295,826,953	30.10
4	Arizona	6,595,778	198,366,268	30.07
5	Colorado	5,024,748	147,309,911	29.32
6	Alabama	4,708,708	132,994,367	28.24
7	Idaho	1,545,801	43,104,326	27.88
8	Virginia	7,882,590	217,720,071	27.62
9	Texas	24,782,302	682,732,614	27.55
10	Tennessee	6,296,254	172,348,326	27.37
11	Minnesota	5,266,214	143,681,041	27.28
12	Wyoming	544,270	14,808,778	27.21
13	Louisiana	4,492,076	121,601,002	27.07
14	Iowa	3,007,856	81,194,212	26.99
15	Oklahoma	3,687,050	98,841,133	26.81
16	Nebraska	1,796,619	47,819,096	26.62
17	Mississippi	2,951,996	78,180,183	26.48
18	Alaska	698,473	18,333,638	26.25
19	North Carolina	9,380,884	245,646,182	26.19
20	South Carolina	4,561,242	114,767,872	25.16
21	Missouri	5,987,580	149,602,620	24.99
22	Indiana	6,423,113	158,773,869	24.72
23	Michigan	9,969,727	246,018,554	24.68
24	Florida	18,537,969	455,565,365	24.57
25	Arkansas	2,889,450	70,506,217	24.40
26	Kansas	2,818,747	68,358,137	24.25
27	Kentucky	4,314,113	98,935,503	22.93
28	Montana	974,989	22,119,106	22.69
29	Delaware	885,122	20,043,339	22.64
30	Wisconsin	5,654,774	127,335,528	22.52
31	Maryland	5,699,478	126,578,147	22.21
32	California	36,961,664	814,238,186	22.03
33	Pennsylvania	12,604,767	274,058,755	21.74
34	Ohio	11,542,645	247,544,133	21.45
35	Washington	6,664,195	142,759,715	21.42
36	Maine	1,318,301	27,676,609	20.99
37	Massachusetts	6,593,587	137,725,942	20.89

<sup>12</sup> This enclosure excludes 1,576 claims from Army Post Office, American Samoa, Guam, Puerto Rico, the Virgin Islands, and any claims not associated with a state, representing a net credit of \$11,508,883.

<b>Rank</b>	<b>State</b>	<b>2009 population</b>	<b>Dollar amount claimed</b>	<b>Dollar amount claimed per resident</b>
38	Rhode Island	1,053,209	21,984,972	20.87
39	Illinois	12,910,409	268,704,730	20.81
40	New Hampshire	1,324,575	27,411,633	20.69
41	New Mexico	2,009,671	40,778,086	20.29
42	South Dakota	812,383	15,855,035	19.52
43	North Dakota	646,844	12,600,197	19.48
44	Connecticut	3,518,288	67,845,941	19.28
45	Oregon	3,825,657	73,368,490	19.18
46	Vermont	621,760	11,694,948	18.81
47	New Jersey	8,707,739	162,140,876	18.62
48	West Virginia	1,819,777	30,572,209	16.80
49	Hawaii	1,295,178	18,356,976	14.17
50	New York	19,541,453	276,922,301	14.17
51	District of Columbia	599,657	5,009,342	8.35
<b>Average</b>				<b>\$23.67</b>
<b>Total</b>		<b>307,006,550</b>	<b>\$7,273,404,426</b>	

Source: GAO analysis of IRS and U.S. Census Bureau data.

**Table 8: State Ranking of FTHBC Dollar Amount Claimed per Resident, Recovery and Assistance Acts Combined, as of July 3, 2010**

Rank	State	2009 population	Dollar amount claimed	Dollars claimed per resident
1	Nevada	2,643,085	\$237,192,799	\$89.74
2	Idaho	1,545,801	114,471,451	74.05
3	Wyoming	544,270	39,612,196	72.78
4	Nebraska	1,796,619	130,325,686	72.54
5	Utah	2,784,572	200,477,249	72.00
6	North Dakota	646,844	45,518,418	70.37
7	Arizona	6,595,778	457,693,021	69.39
8	Colorado	5,024,748	348,361,381	69.33
9	Minnesota	5,266,214	354,110,063	67.24
10	Iowa	3,007,856	192,854,612	64.12
11	Oklahoma	3,687,050	236,090,826	64.03
12	South Dakota	812,383	51,769,889	63.73
13	Tennessee	6,296,254	391,387,509	62.16
14	Kansas	2,818,747	166,777,461	59.17
15	Montana	974,989	57,119,255	58.58
16	Virginia	7,882,590	461,177,047	58.51
17	Florida	18,537,969	1,083,759,253	58.46
18	Washington	6,664,195	383,302,015	57.52
19	Alaska	698,473	39,956,432	57.21
20	Texas	24,782,302	1,386,132,255	55.93
21	Missouri	5,987,580	333,678,108	55.73
22	Indiana	6,423,113	355,951,742	55.42
23	Arkansas	2,889,450	159,706,803	55.27
24	Georgia	9,829,211	537,942,358	54.73
25	Alabama	4,708,708	256,890,222	54.56
26	Wisconsin	5,654,774	305,583,359	54.04
27	Michigan	9,969,727	538,409,466	54.00
28	Oregon	3,825,657	205,303,611	53.66
29	California	36,961,664	1,950,955,043	52.78
30	Louisiana	4,492,076	236,578,252	52.67
31	North Carolina	9,380,884	493,805,726	52.64
32	New Mexico	2,009,671	105,434,554	52.46
33	South Carolina	4,561,242	235,688,334	51.67
34	Kentucky	4,314,113	218,529,193	50.65
35	Delaware	885,122	44,530,509	50.31
36	Maryland	5,699,478	283,827,781	49.80
37	New Hampshire	1,324,575	65,508,209	49.46
38	Rhode Island	1,053,209	51,670,131	49.06
39	Maine	1,318,301	63,598,545	48.24
40	District of Columbia	599,657	28,725,188	47.90
41	Mississippi	2,951,996	139,438,872	47.24
42	Pennsylvania	12,604,767	591,136,731	46.90
43	Illinois	12,910,409	601,022,114	46.55
44	Ohio	11,542,645	530,047,684	45.92
45	Massachusetts	6,593,587	290,462,954	44.05

<b>Rank</b>	<b>State</b>	<b>2009 population</b>	<b>Dollar amount claimed</b>	<b>Dollars claimed per resident</b>
46	Connecticut	3,518,288	150,636,054	42.82
47	Vermont	621,760	25,889,006	41.64
48	New Jersey	8,707,739	344,277,345	39.54
49	West Virginia	1,819,777	67,610,069	37.15
50	Hawaii	1,295,178	43,241,281	33.39
51	New York	19,541,453	578,850,192	29.62
<b>Average</b>				<b>\$55.23</b>
<b>Total</b>		<b>307,006,550</b>	<b>\$16,213,018,254</b>	

Source: GAO analysis of IRS and U.S. Census Bureau data.

**Enclosure V: Ranking of First-Time Homebuyer Credit (FTHBC) Average Dollar Amount Claimed by State for the Housing Act, and Recovery and Assistance Acts Combined, as of July 3, 2010<sup>13</sup>**

**Table 9: State Ranking for Average FTHBC Dollar Amount Claimed Per Claim under the Housing Act, as of July 3, 2010**

Rank	State	Number of claims	Dollar amount claimed	Average dollar amount claimed per claim
1	Utah	12,898	\$93,000,660	\$7,210
2	Idaho	6,078	43,104,326	7,092
3	Nevada	14,699	104,042,332	7,078
4	Arizona	28,072	198,366,268	7,066
5	Florida	64,879	455,565,365	7,022
6	North Carolina	35,079	245,646,182	7,003
7	Georgia	42,389	295,826,953	6,979
8	Rhode Island	3,154	21,984,972	6,971
9	Colorado	21,147	147,309,911	6,966
10	California	116,896	814,238,186	6,965
11	Washington	20,513	142,759,715	6,959
12	Virginia	31,409	217,720,071	6,932
13	Tennessee	24,879	172,348,326	6,927
14	New Mexico	5,896	40,778,086	6,916
15	Texas	98,971	682,732,614	6,898
16	Delaware	2,906	20,043,339	6,897
17	Oregon	10,685	73,368,490	6,866
18	South Carolina	16,724	114,767,872	6,862
19	Hawaii	2,676	18,356,976	6,860
20	Connecticut	9,957	67,845,941	6,814
21	Maryland	18,593	126,578,147	6,808
22	Wyoming	2,179	14,808,778	6,796
23	Minnesota	21,225	143,681,041	6,769
24	Alabama	19,680	132,994,367	6,758
25	Wisconsin	18,844	127,335,528	6,757
26	Nebraska	7,084	47,819,096	6,750
27	Alaska	2,717	18,333,638	6,748
28	Massachusetts	20,465	137,725,942	6,730
29	Illinois	39,986	268,704,730	6,720
30	Montana	3,294	22,119,106	6,715
31	New Jersey	24,153	162,140,876	6,713
32	Missouri	22,301	149,602,620	6,708
33	New Hampshire	4,087	27,411,633	6,707
34	Kentucky	14,755	98,935,503	6,705
35	Maine	4,134	27,676,609	6,695
36	Pennsylvania	41,257	274,058,755	6,643
37	Vermont	1,763	11,694,948	6,634

<sup>13</sup>This enclosure excludes 1,576 claims from Army Post Office, American Samoa, Guam, Puerto Rico, the Virgin Islands, and any claims not associated with a state, representing a net credit of \$11,508,883.

<b>Rank</b>	<b>State</b>	<b>Number of claims</b>	<b>Dollar amount claimed</b>	<b>Average dollar amount claimed per claim</b>
38	Louisiana	18,375	121,601,002	6,618
39	Indiana	24,049	158,773,869	6,602
40	New York	41,960	276,922,301	6,600
41	Oklahoma	14,998	98,841,133	6,590
42	Kansas	10,400	68,358,137	6,573
43	Arkansas	10,734	70,506,217	6,568
44	Ohio	37,922	247,544,133	6,528
45	Iowa	12,441	81,194,212	6,526
46	South Dakota	2,452	15,855,035	6,466
47	North Dakota	1,973	12,600,197	6,386
48	District of Columbia	785	5,009,342	6,381
49	West Virginia	4,792	30,572,209	6,380
50	Mississippi	12,308	78,180,183	6,352
51	Michigan	39,085	246,018,554	6,294
	<b>Average</b>			<b>\$6,755</b>
	<b>Total</b>	<b>1,068,698</b>	<b>\$7,273,404,426</b>	

Source: GAO analysis of IRS data.

**Table 10: State Ranking for Average FTHBC Dollar Amount Claimed Per Claim, Recovery and Assistance Acts Combined, as of July 3, 2010**

<b>Rank</b>	<b>State</b>	<b>Number of claims</b>	<b>Dollar amount claimed</b>	<b>Average dollar amount claimed per claim</b>
1	Utah	26,240	\$200,477,249	\$7,640
2	Nevada	31,727	237,192,799	7,476
3	California	261,302	1,950,955,043	7,466
4	Washington	51,350	383,302,015	7,464
5	Virginia	61,901	461,177,047	7,450
6	Idaho	15,383	114,471,451	7,441
7	Colorado	46,925	348,361,381	7,424
8	Hawaii	5,827	43,241,281	7,421
9	Maryland	38,389	283,827,781	7,393
10	Alaska	5,409	39,956,432	7,387
11	Rhode Island	7,000	51,670,131	7,381
12	Arizona	62,043	457,693,021	7,377
13	Oregon	27,840	205,303,611	7,374
14	North Carolina	67,026	493,805,726	7,367
15	District of Columbia	3,913	28,725,188	7,341
16	Connecticut	20,530	150,636,054	7,337
17	Massachusetts	39,654	290,462,954	7,325
18	Delaware	6,100	44,530,509	7,300
19	Wyoming	5,436	39,612,196	7,287
20	Tennessee	53,754	391,387,509	7,281
21	Florida	149,066	1,083,759,253	7,270
22	Texas	190,979	1,386,132,255	7,258
23	Georgia	74,210	537,942,358	7,249
24	New Jersey	47,550	344,277,345	7,240
25	New Mexico	14,573	105,434,554	7,235
26	Minnesota	48,958	354,110,063	7,233
27	South Carolina	32,744	235,688,334	7,198
28	New Hampshire	9,109	65,508,209	7,192
29	Wisconsin	42,818	305,583,359	7,137
30	Vermont	3,635	25,889,006	7,122
31	Nebraska	18,308	130,325,686	7,119
32	Illinois	84,559	601,022,114	7,108
33	Maine	8,956	63,598,545	7,101
34	Alabama	36,178	256,890,222	7,101
35	Louisiana	33,339	236,578,252	7,096
36	New York	81,867	578,850,192	7,071
37	Pennsylvania	83,627	591,136,731	7,069
38	Montana	8,092	57,119,255	7,059
39	Kentucky	30,963	218,529,193	7,058
40	Missouri	47,288	333,678,108	7,056
41	South Dakota	7,362	51,769,889	7,032
42	Oklahoma	33,809	236,090,826	6,983
43	Arkansas	23,008	159,706,803	6,941
44	Kansas	24,096	166,777,461	6,921

<b>Rank</b>	<b>State</b>	<b>Number of claims</b>	<b>Dollar amount claimed</b>	<b>Average dollar amount claimed per claim</b>
45	Iowa	27,931	192,854,612	6,905
46	North Dakota	6,601	45,518,418	6,896
47	Mississippi	20,273	139,438,872	6,878
48	Indiana	51,758	355,951,742	6,877
49	Ohio	77,083	530,047,684	6,876
50	West Virginia	10,041	67,610,069	6,733
51	Michigan	84,992	538,409,466	6,335
	<b>Average</b>			<b>\$7,182</b>
	<b>Total</b>	<b>2,251,522</b>	<b>\$16,213,018,254</b>	

Source: GAO analysis of IRS data.



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## Public Affairs

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