

# **Manatee County**

## **First Time Homebuyer Program**

**~ FHOP ~**

## **Florida Homebuyer Opportunity Program**



## Major Differences Between the Florida Homebuyer Opportunity Program (FHOP) and Manatee County Downpayment Assistance Program (SHIP)

<b>Program Requirements</b>	<b>FHOP</b>	<b>SHIP</b>
Maximum Purchase Price (Existing & New Construction)	\$ 176,000.00	Very Low = \$144,000 Low = \$160,000 Moderate = \$ 173,000.00
Maximum Income	\$ 75,000.00 – single filers \$150,000.00 – joint filers	120% max income per FHFC published Income Limits per household size
Homebuyer Education	None required	8-hour classroom-style required
Borrower Contribution	\$500.00	\$500.00
Repayment	10 days after receipt of Federal Tax Credit Refund or 18 months from date of closing, whichever is earlier	Upon sale, transfer, rental or abandonment of home
Amount of Assistance	\$8,000.00 or 10% of purchase price, whichever is less	Assistance amount according to eligible income level per household size
First Mortgage Rate	May not exceed ¾% above 60-day FNMA or FHLMC delivery date or current interest rate established for various bond programs	Same
Home Inspection	None required	Required for existing homes to meet minimum housing quality standards
Home Warranty	None Required	None Required.

**MANATEE COUNTY**  
**NEIGHBORHOOD SERVICES DEPARTMENT**  
**FLORIDA HOMEBUYERS OPPORTUNITY PROGRAM**  
**ELIGIBILITY REQUIREMENTS**

- \* The maximum income must be less than \$75,000 for single taxpayer households or \$150,000 for joint filing taxpayer households as shown on the 2008 federal tax form.
- \* Income is based on anticipated gross income to be received by all members of the household for the next twelve-month period (excluding income of children under the age of 18).
- \* The applicant must be able to receive the tax credit and not have the tax credit reduced because of unpaid federal taxes or child support or any other reason.
- \* The purchase price of the home may not exceed \$176,000.00.
- \* Property must be located in un-incorporated Manatee County.
- \* Applicant must be a first-time homebuyer (cannot have owned a home in the last 3-years as defined by the tax credit program).
- \* The applicant must be a US citizen or a Permanent Resident Alien.
- \* The applicant must occupy the home purchased as their principal residence within 30 days after closing.
- \* Qualified purchases can be new and existing single-family homes, condos or duplexes. **Funds may not be used for mobile homes.**
- \* Applicant will be required to contribute a minimum investment of \$500.00 in personal funds toward the transaction.
- \* Downpayment assistance will be up to \$8,000.00 or 10% of the purchase price of the home, whichever is less.
- \* The loan is required to be repaid within 18 months of closing date or within 10 days of receiving the federal income tax refund. If not paid within above time period, a 10% penalty will be applied and loan will be reverted to a deferred payment loan.
- \* The applicant must have qualified for a first mortgage loan from a mortgage lender to purchase the home under contract.
- \* First mortgage lender loan must be a fixed-rate loan product. Interest rate imposed may not exceed 3/4% over FNMA or FHLMC 60-day delivery rate or the current interest rate established for various bond programs. No ARM loans; pre-payment penalty loans, negative amortization or balloon loans allowed.
- \* The home may not be purchased from a close relative. This includes spouse, parent, grandparent, child or grandchild.
- \* An Amended 1040X Tax Return Form must be filed subsequent to closing along with the IRS Form 5405 First Time Homebuyer Credit Form and a copy submitted to our office.

# MANATEE COUNTY GOVERNEMENT NEIGHBORHOOD SERVICES DEPARTMENT

## FLORIDA HOMEBUYER OPPORTUNITY PROGRAM Application Process

Mail or hand deliver (no faxes accepted) the application package to Manatee County's Neighborhood Services Department located in the County Administration building at P.O. Box 1000 (1112 Manatee Avenue West) 5<sup>th</sup> Floor, Bradenton, Florida 34206

APPLICATION PACKAGES WILL BE PROCESSED ON A FIRST COME, FIRST ELIGIBLE BASIS. Upon review of a complete loan application package you will be notified by fax if any items are still needed.

WE HAVE LIMITED STAFF TO PROCESS THESE APPLICATION PACKAGES, PLEASE ALLOW A MINIMUM OF 15 BUSINESS DAYS TO PROCESS YOUR LOAN REQUEST.

*You will be contacted if any items are needed or if there are any questions or concerns with the application package.*

The following items will be required to be submitted with application request:

1. Borrowers Summary Sheet
2. FHOP Assistance Application Form
3. Lender's Uniform Residential Loan Application (1003)
4. Good Faith Estimate
5. First Mortgage Underwriting Approval (pre-qualifications will not be accepted)
6. Fully executed Sales Contract ( addendums and proof of escrow deposits required )
7. Copy of the appraisal (if available at the time of application)
8. Household income verifications and documentation
9. Asset verifications and documentation
10. Copy of executed 2006, 2007, 2008 Income Tax Returns
11. Applicant Release and Consent Form
12. Marital Status and Child Support Affidavit (if applicable)
13. Affidavit of Household Size
14. Lead-Based Paint Information for Pre-1978 Properties
15. Self Employed Affidavit (if applicable)
16. Unemployment Affidavit (if application)
17. FHOP Certification
18. Photo I.D. and Social Security cards for all household members (birth certificates for children)

### CLOSING

Staff will submit a complete loan application package that has been processed and reviewed to the Fiscal Management Division for review and issuance of a reservation of funding.

Once a reservation is issued a Notice of Funding Award Letter is prepared and signed by the Department Director. The letter is then faxed to the lender along with a closing information sheet which will need to be completed and faxed back to the Housing staff. Please contact the appropriate housing staff person to coordinate a closing date and time.

Please allow 15 business days for the processing of a check for a closing. A preliminary HUD settlement statement and title commitment are required to order a check.

**Under no circumstances can there be any cash-back to the applicants at closing.**

**MANATEE COUNTY  
FLORIDA HOMEBUYER OPPORTUNITY PROGRAM  
QUESTIONS AND ANSWERS**

**Q. What is the FHOP?**

This program (FHOP – Florida Homebuyer Opportunity Program) is designed to help first time homebuyers purchase their first home. Many families that are currently renting have trouble accumulating the cash needed for down payment and closing costs.

During the 2009 regular legislative session the Florida Homebuyer Opportunity Program was created. This program requires that the funding be used to provide up to \$8,000 (10% of sales price up to \$8,000, whichever is less) in purchase assistance to applicants that are eligible to receive the federal first-time homebuyer tax credit created through The American Recovery and Reinvestment Act of 2009. The assistance shall be expected to be repaid by the applicant within 10 days of the receipt of their federal tax refund.

The maximum income limit shall be Adjusted Gross Income of \$75,000 for single taxpayer households or \$150,000 for joint-filing taxpayer households.

**Q. Where do the funds come from?**

The funds for the FHOP program are generated through the Documentary Stamps collected in real estate transactions within the State of Florida.

**Q. Do I have to repay this assistance while I am also making my monthly mortgage payments?**

The assistance will be expected to be repaid by the applicant within 18 months of the closing date or within 10 days of receipt of their federal tax refund. Should circumstances occur where the money has not been repaid within 36 months of date of closing a 10% penalty will be imposed and the loan will revert to a deferred payment loan whereby the amount of assistance provided will be due and must be paid back to the county if the home is sold, or transferred, or leased out, or the first mortgage is paid in full or refinanced, or if a home equity line of credit is obtained.

**Q. How do I qualify?**

You must not have owned a home within the last three years, and your annual Adjusted Gross Income cannot exceed \$75,000 for single taxpayer households and \$150,000 for joint-filing taxpayer households.

**Q. Can I purchase a mobile home with FHOP assistance?**

No. This is one of the few rules set by the State of Florida.

**Q. Can I use this program to help build a new home?**

Yes. REMEMBER, however, that you must occupy the home on or before November 30, 2009 in order to be eligible for the Florida Homebuyer Opportunity Program

**Q. Is there a limit to the sales price of the home I wish to buy?**

Yes. The program limits the price of the home to \$176,000. But the amount of house you can buy will be more closely determined by how much your lender can approve you for.

**Q. Will Manatee County set an interest rate for my bank/lender mortgage?**

Yes. Manatee County's Housing Policy requires that the first mortgage held by a mortgage lender be a fixed rate loan with an interest rate not to exceed ¾% over FNMA or FHLMC 60-day delivery rate as of lock-in date or the current interest rate established for various bond programs. ARM loans, prepayment penalty loans, negative amortization or balloon loans are not allowed.

**Q. How do you know how much money each applicant can receive?**

Consider that the most effective way to determine the amount of an applicant's tax credit is to amend the applicant's 2008 tax return.

**Q. How do you address multiple 'single tax filers' in a household? Is the income for such a household still limited to \$75,000?**

Yes. The income limit in the FHOP legislative text is only up to \$75,000 for single tax filers. FHOP also requires documentation of an applicant's income with the third party verification method outlined in the HUD Handbook 4350.3. The SHIP verification process requires counting the income of all household members that will reside in purchased unit.

**Q. Why do we perform 2 separate income certifications?**

The FHOP legislation does not exempt the program from SHIP's income qualification process. At the same time, however, the program requires jurisdictions to also confirm that a buyer is eligible for the tax credit, which is a separate income calculation activity.

**Q. Consider a situation where a household's income is \$149,000 on the 2008 amended tax return but is over \$150,000 using the SHIP income verification process, which documents estimated income for the next 12 months. Would such a household be FHOP eligible?**

No, this household is not eligible. The legislative language enacting FHOP outlines two eligibility tests, but the household in this case has only passed one test.

FHOP requires two separate processes for documenting income. First, one must determine if an applicant is eligible to receive the first time homebuyer tax credit, which may best be accomplished by amending the tax filer's 2008 tax return. Second, the applicant's income is documented with third party verification forms using the HUD Handbook 4350.3 requirements that all SHIP jurisdictions have adopted for income documentation. This is required because the

FHOP legislative language indicates that these funds must be expended in accordance with the SHIP Statute (ss. 420.907 - 420.9079, Florida Statutes). There is no exception provided to the SHIP income verification process. For both eligibility tests, the FHOP legislative language indicates that "the maximum income limit shall be an adjusted gross income of \$75,000 for single taxpayer households or \$150,000 for joint-filing taxpayer households".

*Consider these scenarios when a FHOP applicant may pass one but not both of the FHOP eligibility tests:*

- *A buyer's 2008 amended joint-filing tax return shows an income of \$149,000, but the applicant's income from the next 12 months—recorded with SHIP verification forms—is \$151,000.*
- *A buyer's amended 2008 tax return is for a single filer, and shows an income of \$74,000. Yet the buyer has recently married or has taken on a roommate. The SHIP verification process requires counting the income of all household members—including the new spouse or roommate—and the income exceeds \$75,000.*

**Q. How do we calculate income for a multiple single filer household such as two unrelated individuals that are purchasing the property together?**

IRS states that 2 single filers each receive 50% of the tax credit up to \$150,000 AGI.

**Q. If we know a FHOP applicant has a large tax liability and they will therefore not receive the full \$8000 of the tax credit, should we still provide them with \$8000 of purchase assistance?**

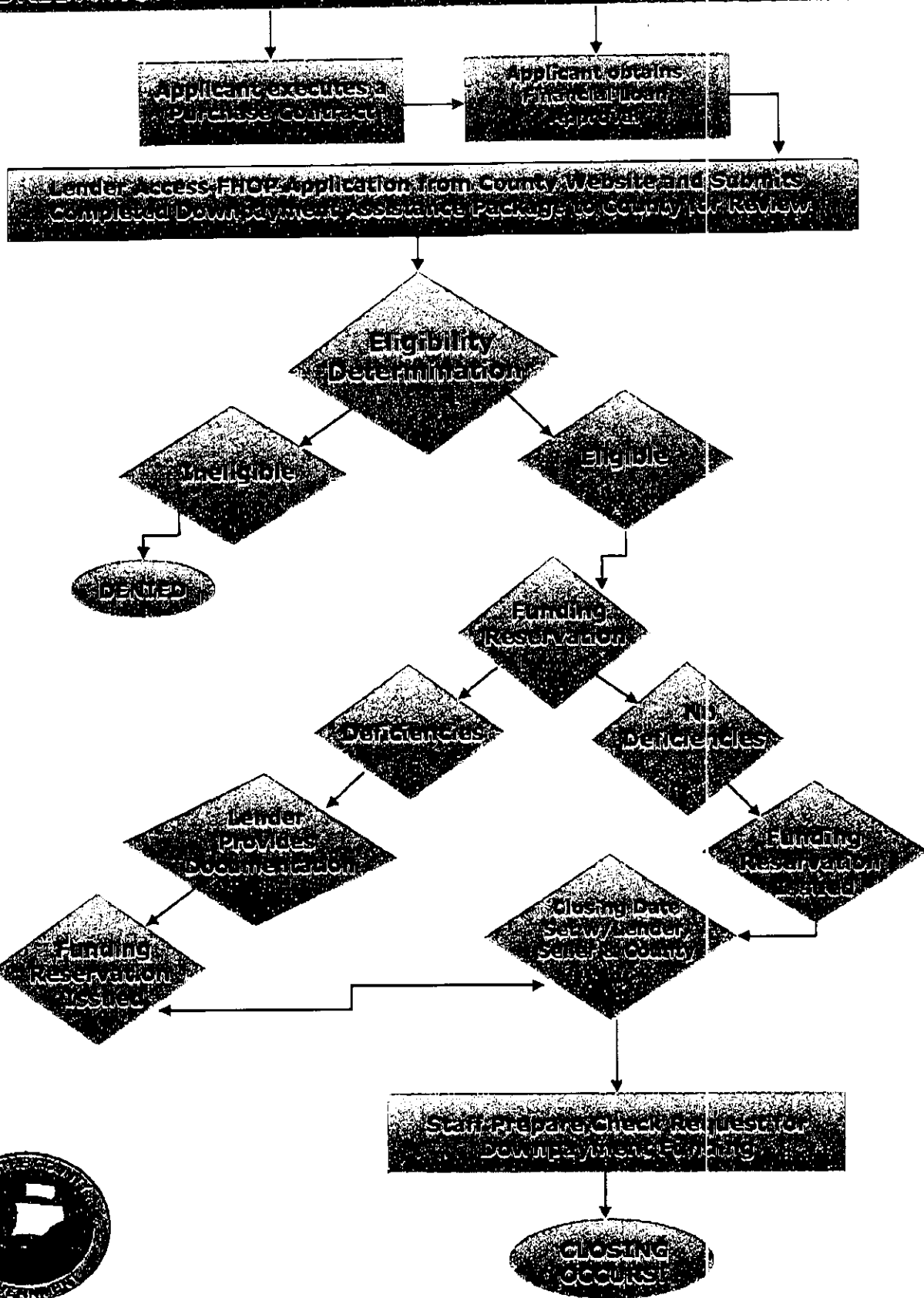
No—subtract out the known tax liability/lien/garnishment from the purchase assistance you provide.

**Q. Can we use funds with Lender Portfolio loans?**

Yes you can. It is not restricted to just FHA.

**\*\*If you have further questions, please contact us at (941) 749-3029 for answers.**

# MANATEE COUNTY 2009 FLORIDA HOMEBUYER OPPORTUNITY PROGRAM PROCESS



Form **5405**  
(Rev. February 2008)  
Department of the Treasury  
Internal Revenue Service

### First-Time Homebuyer Credit

▶ Attach to Form 1040

OMB No. 1545-0074

**2008**  
Attachment  
Sequence No. 163

Name(s) shown on return

Your social security number

#### Part I General Information

- A Address of home qualifying for the credit (if different from the address shown on return)
- B Date acquired (see instructions)
- C If you are choosing to claim the credit on your 2008 return for a main home bought after December 31, 2008, and before December 1, 2009, check here (see instructions)

#### Part II Credit

- 1 Enter the **smaller** of:
  - \$7,500 (\$8,000 if you purchased your home in 2009), but only half of that amount if married filing separately, or
  - 10% of the purchase price of the home.
 If someone other than a spouse also held an interest in the home, enter only your share of this amount (see instructions)
- 2 Enter your modified adjusted gross income (see instructions)
- 3 Is line 2 more than \$75,000 (\$150,000 if married filing jointly)?  
 No. Skip lines 3 through 5 and enter the amount from line 1 on line 6.  
 Yes. Subtract \$75,000 (\$150,000 if married filing jointly) from the amount on line 2 and enter the result
- 4 Divide line 3 by \$20,000 and enter the result as a decimal (rounded to at least three places)  
 Do not enter more than 1.000
- 5 Multiply line 1 by line 4
- 6 Subtract line 5 from line 1. This is your credit. Enter here and on Form 1040, line 69

1	
2	
3	
4	X
5	
6	

#### General Instructions

Section references are to the Internal Revenue Code.

##### Purpose of Form

Use Form 5405 to claim the first-time homebuyer credit. The credit may give you a refund even if you do not owe any tax.

For homes purchased in 2008, the credit operates much like an interest-free loan. You generally must repay it over a 15-year period. For homes purchased in 2009, you must repay the credit only if the home ceases to be your main home within the 36-month period beginning on the purchase date. See *Repayment of Credit* on page 2.

##### Who Can Claim the Credit

In general, you can claim the credit if you are a first-time homebuyer. You are considered a first-time homebuyer if:

- You purchased your main home located in the United States after April 8, 2008, and before December 1, 2009.
- You (and your spouse if married) did not own any other main home during the 3-year period ending on the date of purchase.

If you constructed your main home, you are treated as having purchased it on the date you first occupied it.

**Main home.** Your main home is the one you live in most of the time. It can be a house, houseboat, house trailer, cooperative apartment, condominium, or other type of residence.

##### Who Cannot Claim the Credit

You cannot claim the credit if any of the following apply.

- 1. Your modified adjusted gross income is \$95,000 or more (\$170,000 or more if married filing jointly). See the instructions for line 2.
- 2. You are, or were, eligible to claim the District of Columbia first-time homebuyer credit for any tax year. This rule does not apply for a home purchased in 2009.
- 3. Your home financing comes from tax-exempt mortgage revenue bonds. This rule does not apply for a home purchased in 2009.
- 4. You are a nonresident alien.
- 5. Your home is located outside the United States.
- 6. You sell the home, or it ceases to be your main home, before the end of 2008.
- 7. You acquired your home by gift or inheritance.
- 8. You acquired your home from a related person.

A related person includes:

- a. Your spouse, ancestors (parents, grandparents, etc.), or lineal descendants (children, grandchildren, etc.).
- b. A corporation in which you directly or indirectly own more than 50% in value of the outstanding stock of the corporation.
- c. A partnership in which you directly or indirectly own more than 50% of the capital interest or profits interest.

Form 5405 (2008) (Rev. 2-2009)

For more information about related persons, see *Nondeductible Loss* in Chapter 2 of Pub. 544, *Sales and Other Dispositions of Assets*. When determining whether you acquired your main home from a related person, family members in that discussion (except item 7) include only the people mentioned in 8a above.

### Amount of the Credit

Generally, the credit is the smaller of:

- \$7,500 (\$8,000 if you purchased your home in 2009), but only half of that amount if married filing separately, or
- 10% of the purchase price of the home.

You are allowed the full amount of the credit if your modified adjusted gross income (MAGI) is \$75,000 or less (\$150,000 or less if married filing jointly). The phase-out of the credit begins when your MAGI exceeds \$75,000 (\$150,000 if married filing jointly). The credit is eliminated completely when your MAGI reaches \$95,000 (\$170,000 if married filing jointly).

### Repayment of Credit

**Homes purchased in 2008.** You generally must repay the credit over a 15-year period in 15 equal installments. The repayment period begins in 2010 and you must include the first installment as additional tax on your 2010 tax return.

If your home ceases to be your main home before the 15-year period is up, you must include all remaining annual installments as additional tax on the return for the tax year that happens. This includes situations where you sell the home, you convert it to business or rental property, or the home is destroyed, condemned, or disposed of under threat of condemnation.

If you and your spouse claim the credit on a joint return, each spouse is treated as having been allowed half of the credit for purposes of repaying the credit.

**Example 1.** You claimed a \$7,500 credit on your 2008 tax return. You must include \$500 ( $\$7,500 \div 15$ ) as additional tax on your 2010 tax return and on each tax return for the next 14 years.

**Example 2.** You claimed a \$7,500 credit on your 2008 tax return. In 2009, you sold the home to your son. You must include \$7,500 as additional tax on your 2009 tax return.

**Exceptions.** The following are exceptions to the repayment rule.

- If you sell the home to someone who is not related to you, the repayment in the year of sale is limited to the amount of gain on the sale. (See Item 8 under *Who Cannot Claim the Credit* for the definition of a related person.) When figuring the gain, reduce the adjusted basis of the home by the amount of the credit you did not repay.
- If the home is destroyed, condemned, or disposed of under threat of condemnation, and you acquire a new main home within 2 years of the event, you continue to pay the installments over the remainder of the 15-year repayment period.
- If, as part of a divorce settlement, the home is transferred to a spouse or former spouse, the spouse who receives the home is responsible for making all subsequent installment payments.

- If you die, any remaining annual installments are not due. If you filed a joint return and then you die, your surviving spouse would be required to repay his or her half of the remaining repayment amount.

**Homes purchased in 2009.** You must repay the credit only if the home ceases to be your main home within the 36-month period beginning on the purchase date. This includes situations where you sell the home, you convert it to business or rental property, or the home is destroyed, condemned, or disposed of under threat of condemnation. You repay the credit by including it as additional tax on the return for the year the home ceases to be your main home. If the home continues to be your main home for at least 36 months beginning on the purchase date, you do not have to repay any of the credit.

If you and your spouse claim the credit on a joint return, each spouse is treated as having been allowed half of the credit for purposes of repaying the credit.

**Exceptions.** The following are exceptions to the repayment rule.

- If you sell the home to someone who is not related to you, the repayment in the year of sale is limited to the amount of gain on the sale. (See Item 8 under *Who Cannot Claim the Credit* for the definition of a related person.) When figuring the gain, reduce the adjusted basis of the home by the amount of the credit.
- If the home is destroyed, condemned, or disposed of under threat of condemnation, and you acquire a new main home within 2 years of the event, you do not have to repay the credit.
- If, as part of a divorce settlement, the home is transferred to a spouse or former spouse, the spouse who receives the home is responsible for repaying the credit.
- If you die, repayment of the credit is not required. If you filed a joint return and then you die, your surviving spouse would be required to repay his or her half of the credit.

## Specific Instructions

### Part I General Information

**Line B.** Enter the date you acquired the home. This is the date you purchased it (or the date you first occupied it if you constructed your main home).

**Line C.** You can choose to claim the credit on your 2008 Form 1040 for a main home purchased after December 31, 2008, and before December 1, 2009. If you make this choice, check the box.

### Part II Credit

**Line 1.** If two or more unmarried individuals buy a main home, they can allocate the credit among the individual owners using any reasonable method. The total amount allocated cannot exceed the smaller of \$7,500 (\$8,000 if you purchased your home in 2009) or 10% of the purchase price. See *Purchase price* on page 3.

**Note.** A reasonable method is any method that does not allocate all or a part of the credit to a co-owner who is not eligible to claim that part of the credit.

**Purchase price.** The purchase price is the adjusted basis of your home on the date you purchased it. This includes certain settlement or closing costs (such as legal fees and recording fees) and your down payment and debt (such as a first or second mortgage or notes you gave the seller in payment for the home). If you build, or contract to build, a new home, your purchase price can include costs of construction. For more information about adjusted basis, see Pub. 551, Basis of Assets.

**Line 2.** Your modified adjusted gross income is the amount from Form 1040, line 38, increased by the total of any:

- Exclusion of Income from Puerto Rico, and
- Amount from Form 2555, lines 45 and 50; Form 2555-EZ, line 18; and Form 4563, line 15.

**Paperwork Reduction Act Notice.** We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The average time and expenses required to complete and file this form will vary depending on individual circumstances. For the estimated averages, see the instructions for your income tax return.

If you have suggestions for making this form simpler, we would be happy to hear from you. See the instructions for your income tax return.

**Form 1040X**  
(Rev. February 2009)

Department of the Treasury—Internal Revenue Service  
**Amended U.S. Individual Income Tax Return**

OMB No. 1545-0074

▶ See separate instructions.

This return is for calendar year ▶ , or fiscal year ended ▶

Please print or type	Your first name and initial	Last name	Your social security number
	If a joint return, spouse's first name and initial	Last name	Spouse's social security number
	Home address (no. and street) or P.O. box if mail is not delivered to your home		Apt. no.
	City, town or post office, state, and ZIP code. If you have a foreign address, see page 4 of the instructions.		Phone number

- A** If the address shown above is different from that shown on your last return filed with the IRS, would you like us to change it in our records?  Yes  No
- B** Filing status. Be sure to complete this line. **Note.** You cannot change from joint to separate returns after the due date.
- On original return ▶  Single  Married filing jointly  Married filing separately  Head of household  Qualifying widow(er)
- On this return ▶  Single  Married filing jointly  Married filing separately  Head of household\*  Qualifying widow(er)
- \* If the qualifying person is a child but not your dependent, see page 4 of the instructions.

Use Part II on the back to explain any changes		A. Original amount or as previously adjusted (see page 4)	B. Net change—amount of increase or (decrease)—explain in Part II	C. Correct amount
<b>Income and Deductions (see instructions)</b>				
	1 Adjusted gross income (see page 4)	1		
	2 Itemized deductions or standard deduction (see page 4)	2		
	3 Subtract line 2 from line 1	3		
	4 Exemptions. If changing, fill in Parts I and II on the back (see page 5)	4		
	5 Taxable income. Subtract line 4 from line 3	5		
Tax Liability	6 Tax (see page 5). Method used in col. C	6		
	7 Credits (see page 6)	7		
	8 Subtract line 7 from line 6. Enter the result but not less than zero	8		
	9 Other taxes (see page 6)	9		
	10 Total tax. Add lines 8 and 9	10		
Payments	11 Federal income tax withheld and excess social security and tier 1 RRTA tax withheld. If changing, see page 6	11		
	12 Estimated tax payments, including amount applied from prior year's return	12		
	13 Earned income credit (EIC)	13		
	14 Additional child tax credit from Form 8812	14		
	15 Credits: Recovery rebate; federal telephone excise tax; or from Forms 2439, 4136, 5405, 8885, or 8801 (refundable credit only)	15		
	16 Amount paid with request for extension of time to file (see page 6)	16		
17 Amount of tax paid with original return plus additional tax paid after it was filed	17			
18 Total payments. Add lines 11 through 17 in column C	18			

**Refund or Amount You Owe**  
**Note.** Allow 8-12 weeks to process Form 1040X.

19 Overpayment, if any, as shown on original return or as previously adjusted by the IRS	19
20 Subtract line 19 from line 18 (see page 6)	20
21 <b>Amount you owe.</b> If line 10, column C, is more than line 20, enter the difference and see page 6	21
22 If line 10, column C, is less than line 20, enter the difference	22
23 Amount of line 22 you want refunded to you	23
24 Amount of line 22 you want applied to your <b>estimated tax</b> 24	24

**Sign Here**

Joint return? See page 4. Keep a copy for your records.

Under penalties of perjury, I declare that I have filed an original return and that I have examined this amended return, including accompanying schedules and statements, and to the best of my knowledge and belief, this amended return is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which the preparer has any knowledge.

Your signature	Date	Spouse's signature. If a joint return, both must sign.	Date
Preparer's signature	Date	Check if self-employed <input type="checkbox"/>	Preparer's SSN or PTIN
Firm's name (or yours if self-employed), address, and ZIP code	EIN	Phone no. ( )	

For Paperwork Reduction Act Notice, see page 8 of instructions.

Cat. No. 11360L

Form **1040X** (Rev. 2-2009)

Form 1040X (Rev. 2-2009)

**Part I Exemptions.** See Form 1040 or 1040A instructions.

Complete this part only if you are:

- Increasing or decreasing the number of exemptions claimed on line 6d of the return you are amending, or
- Increasing or decreasing the exemption amount for housing individuals displaced by Hurricane Katrina or for housing Midwestern displaced individuals.

	A. Original number of exemptions reported or as previously adjusted	B. Net change	C. Correct number of exemptions															
<b>25</b> Yourself and spouse Caution. If someone can claim you as a dependent, you cannot claim an exemption for yourself.	25																	
<b>26</b> Your dependent children who lived with you	26																	
<b>27</b> Your dependent children who did not live with you due to divorce or separation	27																	
<b>28</b> Other dependents	28																	
<b>29</b> Total number of exemptions. Add lines 25 through 28	29																	
<b>30</b> Multiply the number of exemptions claimed on line 29 by the amount listed below for the tax year you are amending. Enter the result here.	30																	
<table border="1"> <thead> <tr> <th>Tax year</th> <th>Exemption amount</th> <th>But see the instructions for line 4 on page 5 if the amount on line 1 is over:</th> </tr> </thead> <tbody> <tr> <td>2008</td> <td>\$3,500</td> <td>\$119,975</td> </tr> <tr> <td>2007</td> <td>3,400</td> <td>117,300</td> </tr> <tr> <td>2006</td> <td>3,300</td> <td>112,675</td> </tr> <tr> <td>2005</td> <td>3,200</td> <td>108,475</td> </tr> </tbody> </table>	Tax year	Exemption amount	But see the instructions for line 4 on page 5 if the amount on line 1 is over:	2008	\$3,500	\$119,975	2007	3,400	117,300	2006	3,300	112,675	2005	3,200	108,475	30		
Tax year	Exemption amount	But see the instructions for line 4 on page 5 if the amount on line 1 is over:																
2008	\$3,500	\$119,975																
2007	3,400	117,300																
2006	3,300	112,675																
2005	3,200	108,475																
<b>31</b> If you are claiming an exemption amount for housing individuals displaced by Hurricane Katrina, enter the amount from Form 8914, line 2 for 2005 or line 6 for 2006. If you are claiming an exemption amount for housing Midwestern displaced individuals, enter the amount from the 2008 Form 8914, line 2. (See instructions for line 4). Otherwise enter -0-	31																	
<b>32</b> Add lines 30 and 31. Enter the result here and on line 4	32																	

**33 Dependents (children and other) not claimed on original (or adjusted) return:**

(a) First name	Last name	(b) Dependent's social security number	(c) Dependent's relationship to you	(d) <input checked="" type="checkbox"/> qualifying child for child tax credit (see page 7)	No. of children on 33 who:
				<input type="checkbox"/>	• lived with you <input type="checkbox"/>
				<input type="checkbox"/>	• did not live with you due to divorce or separation (see page 7) <input type="checkbox"/>
				<input type="checkbox"/>	Dependents on 33 not entered above <input type="checkbox"/>

**Part II Explanation of Changes**

Enter the line number from the front of the form for each item you are changing and give the reason for each change. Attach only the supporting forms and schedules for the items changed. If you do not attach the required information, your Form 1040X may be returned. Be sure to include your name and social security number on any attachments.

If the change relates to a net operating loss carryback or a general business credit carryback, attach the schedule or form that shows the year in which the loss or credit occurred. See pages 2 and 3 of the instructions. Also, check here

**Part III Presidential Election Campaign Fund.** Checking below will not increase your tax or reduce your refund.

If you did not previously want \$3 to go to the fund but now want to, check here   
If a joint return and your spouse did not previously want \$3 to go to the fund but now wants to, check here

Form 1040X (Rev. 2-2009)