



Rhode Island Housing unveils tax-credit program for first-time homeowners

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Rhode Island Housing unveiled a tax credit program on Tuesday morning that will provide first-time home buyers with up to \$2,000 annually in tax savings.

Richard H. Godfrey Jr., longtime executive director of Rhode Island Housing, publicly announced the program at the agency's headquarters at 44 Washington St., and he said that 41 new homeowners have taken advantage of the tax break.

He said that about 17 percent of the applicants have bought homes in some of the states "hardest hit urban neighborhoods," in South Providence, Central Falls and Woonsocket.

Gov. Chafee and Stephen Tetzner, vice president of Homestar Mortgage, joined Godfrey at the news conference.

Godfrey said that a typical homebuyer with a \$200,000, 30-year mortgage would have his or her monthly payments reduced by \$166.67-a month through the tax credit program.

In a statement released from Rhode Island Housing, the agency said that The FirstHomes Tax Credit program is not a loan.

"It is a tax credit –claimed by borrowers on their federal tax return annually. The credit is equal to 20 percent of a borrower's total mortgage interest amount paid — saving eligible homeowners as much as \$2,000 per year."

The credit can be claimed annually for the life of the mortgage.

Chafee hailed to work of Godfrey and Rhode Island Housing for assisting first-time homebuyers and helping them transition from renters to homeowners.