

# Making the Dream of Homeownership a Reality

Introducing the First-Time Home Buyer Savings Account

## What is a First-Time Home Buyer Savings Account?



Since January 1, 2020, first-time home buyers in Oklahoma can **open tax-deductible savings accounts** specifically for the purpose of buying a home.



**FREE from state taxes.** Account holders can deduct up to \$5,000 for an individual and up to \$10,000 for a joint account from their state taxable income in a year.



You can use funds from the account toward **the purchase of a home**—including a down payment, escrow, inspection, lender and appraisal fees.

## Who Qualifies for the Program?

Home Buyer Savings Accounts are available to anyone in Oklahoma who has **not previously owned or purchased a home in the state**. So whether you're just starting off or moving to Oklahoma from another state, you may qualify!



### You Can Help Your Child, Grandchild, or Loved One Save for Their First Home

Parents and grandparents can set up First-Time Home Buyer Savings Accounts for their children and grandchildren, similar to a 529 College Savings Plan, but for homes. **Nothing is more important than investing in your children's future**—and they make a great graduation, wedding, or birthday gift!

## How Do I Open an Account?

It's very similar to opening up a typical savings account. Your bank will provide you with all the information you need to start a Home Buyer Savings Account.

1



First, visit a trusted financial institution. Tell them you want to open a **Home Buyer Savings Account** that will be used solely for your home-buying funds.

2



Next, fill out, print, and sign Form 588 to designate a beneficiary. Submit your completed form to the Oklahoma Tax Commission **no later than April 15** to ensure the account qualifies for tax purposes.

3



Finally, start saving! Contributions up to \$5,000 per year for individuals and \$10,000 per year for joint filers **will be state tax-deductible**.



### Smart Tip:

Create a budget and set a monthly savings goal. You're more likely to save faster when you have a goal to reach for.



## Don't Hit Snooze on Your American Dream – Start Saving Today!

**Learn more** about how you can start saving to achieve the dream of homeownership.

Go to [Oklahoma.RealEstate](http://Oklahoma.RealEstate)

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### Smart Tip:

You can also ask a REALTOR® to help you navigate the process of starting or contributing to a Home Buyer Savings Account.