

Tax cuts were the biggest individual component of the Recovery Act. Even though only half of taxpayers have filed so far this year, tax refunds are already up nearly 10% from last year due to the Recovery Act.

As you file your 2009 income taxes, you may qualify for a series of new tax cuts that were established through the Recovery Act. You could, for example, save money for attending college, making energy-saving home improvements, purchasing a home for the first time, or buying a new car.

Here are some of the new tax credits available through the Recovery Act that you may be eligible for:

- [The Making Work Pay tax credit](#) - Ninety-five percent of working families are already receiving the Recovery Act's Making Work Pay tax credit of \$400 for an individual or \$800 for married couples filing jointly in their 2009 paychecks - and will continue to see these benefits in 2010.
- [Tax credits for college expenses](#) - Families and students are eligible for up to \$2,500 in tax savings under the American Opportunity Credit as well as enhanced benefits under 529 college savings plans, which help families and students pay for college expenses.
- [The Homebuyers tax credit](#) - Homebuyers can get a credit - up to \$8,000 for first-time home buyers and up to \$6,500 for upgrade homebuyers - for homes under contract by April 30, 2010 and purchased by June 30, 2010 under the Homebuyer tax credit. Over 1.7 million households have already taken advantage of the First Time Homebuyers tax credit.
- [Tax credits for energy efficient renovations](#) - Taxpayers are eligible for up to \$1,500 in tax credits for making energy-efficient improvements to their homes, such as adding insulation and installing energy efficient windows.
- [The vehicle sales tax deduction](#) - Taxpayers can deduct the state and local sales taxes they paid for new vehicles purchased from Feb. 17, 2009 through Dec. 31, 2009 under the vehicle sales tax deduction.
- **Expanded family tax credits** - Moderate income families with children may be eligible for an increase in the [Earned Income Tax Credit](#) and the [additional Child Tax Credit](#).
- [Tax-free unemployment benefits](#) - Thanks to the Recovery Act, individuals who received unemployment insurance in 2009 do not have to pay taxes on the first \$2,400 of

such earnings.

To find out what tax cuts you may qualify for, check the [White House online tax calculator](#) .

(Crossposted on the [House Democratic Caucus Blog](#))