

2015-2016 Tax Credit Program

Bulletin # 1

February 1, 2016

Changes/Deletions/Clarifications to the 2015-2016 Qualified Allocation Plan and/or
2015-2016 Low-Income Housing Tax Credit Manual:

Clarification:

2015-2016 Tax Credit Manual, Page 25, Notification of Reservation Award:

Congress passed the Consolidated Appropriations Act of 2016 and on Friday, December 18, 2015, President Obama signed the Consolidated Appropriations Act of 2016, and the tax extending, Protecting Americans From Tax Hikes (PATH) Act of 2015. Both bills include provisions to permanently extend the minimum nine percent (9%) low income housing tax credit (LIHTC) package into law.

The amount of tax credits reserved for the 2015 tax credit funding cycle were calculated based on the greater of the tax credit applicable percentage in effect for the month of credit reservation or the applicable percentage in effect for the month of the initial Tax Credit Application submission.

The Authority is not changing how the initial allocation of 2015 tax credits to developments were allocated at the initial underwriting review; however, the Authority will use the 9% fixed rate for tax credits when conducting the final underwriting review at placed in service. The amount of 2015 tax credits allocated will not increase from the initial reservation. There will be no additional tax credits to award at placed in service.

The amount of tax credits reserved for new construction or rehabilitation costs for the 2016 tax credit funding cycle will be calculated using a minimum applicable percentage rate of 9%. The amount of tax credits reserved for acquisition costs is based on the **greater of** the tax credit applicable percentage in effect for the month of credit reservation or the applicable percentage in effect for the month of the Tax Credit Application submission.