

2011 Tax Credit Program

Bulletin # 4

August 1, 2011

Changes/Deletions/Clarifications to the 2011 Qualified Allocation Plan and/or
2011 Low-Income Housing Tax Credit Manual:

Clarification:

2011 Tax Credit Manual

Page 6- Set Asides (1st paragraph):

...After awards have been made in the General Set-Aside, any excess funds will be allocated to the development, irrespective of the development's pool, having the highest funding percentage. The maximum funding percentage is determined by dividing the amount of credit remaining in that pool by the amount of credit calculated by the Authority for a development that is partially funded. These excess funds will be allocated if they increase the development's funding percentage to at least ninety percent (90%)....

Page 7- Nonprofit Set-Aside:

As per Section 42 of the Code, a minimum of ten percent (10%) of the state LIHTC ceiling is reserved for the exclusive use of eligible nonprofit organizations. The Authority will reserve up to \$1,200,000 of the state LIHTC ceiling for use in the Nonprofit Set-Aside. Credits awarded to eligible nonprofit organizations from the designated set-aside will count toward meeting the minimum ten percent (10%) state ceiling. Should the Authority not award the minimum ten percent (10%) state ceiling then those credits will be carried forward to the next funding cycle.

On page 15 of the 2011 QAP, section **VIII. Amendments To The Qualified Allocation Plan**, "the Authority reserves the right to amend the QAP or LIHTC Manual as needed for the purpose of clarification, ensuring compliance with the Code or regulations, or any change necessary to affect the spirit and intent of the LIHTC Program as determined in the sole discretion of the Authority."

Therefore, in order to facilitate the allocation of LIHTC that would not otherwise be allocated in the 2011 Tax Credit Funding Cycle and to award the minimum ten percent (10%) state ceiling to eligible nonprofit organizations, the Authority will use remaining General Set-Aside credits in the Nonprofit Set-Aside. This action will increase the Nonprofit Set-Aside credit amount above \$1,200,000 and will enable the Authority to meet the minimum ten percent (10%) state ceiling for eligible nonprofit organizations.