



In this week's Tax Credit Tuesday Podcast, Michael J. Novogradac, CPA, talks about the fall schedule of Novogradac tax incentive conferences, including agenda highlights, keynote speakers and preconference workshops. He also shares news about a bill that would extend the production tax credit for some renewable energy technologies, as well as a HUD demonstration program for physical inspection of real estate. He closes out by discussing proposed changes to California's state regulations for the low-income housing tax credit, a bill that would have California partially conform to the Internal Revenue Code concerning opportunity zones investments and guidance about the Kentucky state historic tax credit.

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GENERAL NEWS

Novogradac 2019 Historic Tax Credit Conference

- The Novogradac conference series for the balance of 2019 starts with the Novogradac 2019 Historic Tax Credit Conference in St. Louis, Mo., in September.
- It's actually September 26 and 27 to be exact.
- We're greatly looking forward to welcoming back Sen. Bill Cassidy of Louisiana as our keynote speaker.
- We've been honored to have Sen. Cassidy speak at many Novogradac conferences over the years.
- Sen. Cassidy, as you know, is a member of the tax-writing Senate Finance Committee and a long-term, long-time champion of the historic tax credit.
- In fact, he introduced the Historic Tax Credit Enhancement Act in 2018 and is principally responsible for retaining a 20 percent federal historic tax credit during the 2017 tax reform legislation.
- Now the Historic Tax Credit Enhancement Act from 2018 would have eliminated the basis-adjustment requirements of the HTC, a proposal designed to enhance the value of the historic tax credit to attract more private capital per dollar of tax credit.
- Other conference highlights in St. Louis will include an equity investors session, where panelists will discuss equity pricing, what types of deals are being financed and what to expect in 2020.
- We'll also have a session dedicated to pairing historic tax credits with opportunity zones.
 - On a side note, the September issue of the Novogradac Journal of Tax Credits does have a special focus on historic tax credits.
 - My partner Annette Stevenson in Novogradac's Cleveland office wrote a themed article for the issue on historic tax credits combined with opportunity zones.
 - If you're interested in learning about how to twin historic tax credits with opportunity zones, do be sure to check out the September issue of the Journal as well as attend the historic tax credit conference session.
 - Again, just a little side note.
- Let's get back to the historic tax credit conference.
- We'll have a special presentation at the conference of the Novogradac Journal of Tax Credits Historic Rehabilitation Awards.
 - The annual awards program honors excellence in historic preservation.
 - The 2019 award winners were announced last week and they'll receive their awards at the conference.
- Conference attendees will also have a chance to go on a historic building walking tour through St. Louis.
 - This guided walking tour will include historic tax credit buildings in St. Louis and discussion as to how the transactions came together.
- We'll also have a networking reception at the Old Post Office, a St. Louis icon that was built shortly after the Civil War.
 - The post office was under threat of demolition in the 20th century until the building got listed on the National Register of Historic Places in 1968.
- My partner Michael Kressig in our St. Louis office will be the historic tax credit conference chairman.



Novogradac 2019 Credit and Bond Financing for Affordable Housing Conference

- After the historic tax credit conference in September, we'll have three conferences in October.
- That's right, three conference in October.
- We're going to start off the month with the Novogradac 2019 Credit and Bond Financing for Affordable Housing Conference in New Orleans.
- The dates are Oct. 3-4.
- My partners Rebecca Arthur of our metro-Kansas City, Mo., office and George Littlejohn of our Austin, Texas, office will be the conference co-chairs.
- A great way to prepare for the housing conference is to register for one of the pre-conference workshops on Oct. 2, Wednesday.
- The two pre-conference workshops are LIHTC 101: The Basics and a workshop on requirements for low-income housing tax credit awardees that they have to satisfy between receiving their tax credit award and submitting their Forms 8609 to the IRS.
 - Form 8609 is the low-income housing credit allocation and certification form.
- During the main event on the third and fourth, our panelists will talk about the future of low-income housing tax credit equity markets and also how the markets have adjusted, post-tax reform.
- We'll also have sessions where we'll discuss case studies on income averaging as well as twinning 9 percent and 4 percent low-income housing tax credits.
- Also at the conference, we're going to present the Novogradac Journal of Tax Credits Developments of Distinction Awards.
 - These awards recognize outstanding achievement in the development of affordable rental housing.
 - The award winners will be announced on Novogradac's awards home page and through a press release shortly.
 - When those awards are announced, I'll also send out a tweet.

Novogradac 2019 New Markets Tax Credit Fall Conference

- After the affordable housing conference in early October comes the Novogradac 2019 New Markets Tax Credit Fall Conference at the Fairmont Austin in Texas.
- That conference is in the middle of the month, Oct. 17-18.
- The awards season will continue at the new markets tax credit conference with the presentation of the QLICs of the Year Awards.
 - That's qualified low-income community investments, QLICs, that's the acronym.
 - The awards honor exceptional community development investments over the past year.
- We're also very, very excited to welcome U.S. Sen. Steve Daines of Montana as our keynote speaker.
 - Sen. Daines is a strong supporter of the new markets tax credit.
 - He is a cosponsor of the New Markets Tax Credit Extension Act of 2019 that has, among other provisions, a provision that would make the new markets tax credit an indefinite part of the tax code.
 - I'd like to say permanent.
 - We're very much looking forward to Sen. Daines' insights on new markets tax credit legislation and the possibilities of getting an extension or permanency of the new markets tax credit this year.



- My partner Brad Elphick, who heads up the New Markets Tax Credit Working Group, is in our metro-Atlanta office and he is the conference chairman.

Novogradac 2019 Opportunity Zones Fall Conference

- From Austin in the middle of the month, we'll head northeast to hold the Novogradac 2019 Opportunity Zones Fall Conference at the Fairmont Chicago Millennium Park.
- This is part of our end-of-October theme of community development.
- That conference is Oct. 24-25.
- The opportunity zones conference chairman is my partner John Scairretti.
- He is in our Dover, Ohio, office and he also heads up the Novogradac Opportunity Zones Working Group.
- We're also excited to announce our keynote speaker here, I shouldn't say announce, because we've already revealed it, is Scott Turner.
- He's the executive director of the White House Opportunity and Revitalization Council.
 - He's going to discuss his vision for the council, progress made so far and what we can expect in the near term.
- Our opportunity zones conference agenda is tailored to give attendees both up-to-date information on the opportunity zones incentive, as well as plenty of chances to network and meet other opportunity zones participants.
 - Be it potential investments, or it could be potential investors or anyone in between.
- On the information or education side, we do have sessions on structuring transactions, on Treasury guidance, on securities laws and information on combining opportunity zones and other federal incentives, including federal tax incentives.
- On the transaction side, we do have a session on family office investing and private high-net-worth investors.
- If you'd like an introduction or a refresher on opportunity zones, you can also register for our Opportunity Zones pre-conference.
- That workshop is on Oct. 23.

Novogradac 2019 Financing Renewable Energy Tax Credits Conference

- After our opportunity zones conference in Chicago that wraps up our October events, we next go to November, where we're going to hold Novogradac's 2019 Financing Renewable Energy Tax Credits Conference in Washington, D.C.
- The event will be held at the Watergate Hotel on Nov. 7-8.
- Attendees at that conference can choose between two tracks for the afternoon session.
- One track is about tax equity and focuses on trends as well as different types of investors.
- The other track takes a deep dive into several issues, including battery storage, financial modeling as well as community solar.
- My partner Tony Grappone of our Boston office is going to chair the conference.
- There is also a pre-conference primer on project finance.
- That will be Wednesday, Nov. 6.



Novogradac 2019 Tax Credit Housing Finance Conference

- We will close out the year in December in Las Vegas for a low-income housing tax credit affordable housing conference.
- It's our annual Las Vegas event.
- My partner Jeff Nishita from our San Francisco office is the conference chair.
- The conference agenda is still in the works.
- So do stay tuned and check our website as more details will become available first there.
- Well, that wraps up our summary of the conferences we have planned for you for the balance of 2019.
- As I said earlier, please register early, and if you're interested in being a sponsor, or speaking at some sessions—having us consider you for that—please email cpas@novoco.com.



Other News

- Now, let's turn to other news that I did not want to hold until next week.
- First, two members of the House of Representatives have introduced legislation to extend the production tax credit for some renewable energy technologies for which the credit expired in 2017.
 - The bill would also provide those technologies the election to take the investment tax credit.
 - The types of facilities that would benefit from the extension are:
 - Closed-loop biomass,
 - Open-loop biomass,
 - Geothermal,
 - Municipal solid waste,
 - Qualified hydropower facilities, and
 - Marine and hydrokinetic facilities.
 - They would have to begin construction by Jan. 1, 2025, to be eligible under the bill.
 - A link to the legislation, which is called the Renewable Electricity Tax Credit Equalization Act, is in today's show notes.
 - I also encourage you to contact a Novogradac partner near you for any questions about qualifying for renewable energy tax credits.
- Turning to affordable housing news, HUD is seeking feedback on a plan to begin a demonstration program for physical inspection of real estate.
 - HUD calls the demonstration National Standards for Physical Inspection of Real Estate, or the clever acronym NSPIRE.
 - The notice said HUD is seeking volunteers to test the NSPIRE standards and protocols, hoping to include 4,500 properties in the demonstration.
 - HUD's notice says the current inspection model from 1998 is outdated, given the shift to private ownership of many HUD-funded properties.
 - The notice said the goal is to align inspection standards and to adopt flexible protocols to accommodate unique circumstances of each program and housing type.
 - I'll share a link to the notice in today's show notes and tweet it out.
 - Comments are being accepted through Oct. 21.
- I also wanted to go back to what we said last week, when we talked about changes made in California, including a major investment in the state low-income housing tax credit.
 - Well, the state Tax Credit Allocation Committee in California released a memorandum last week with proposed changes to state regulations, most of the changes coming due to changes made in the state budget legislation.
 - There are 37 proposed changes to the state credit regulations and the allocation authority said it will schedule hearings on the proposals.
 - The target date for implementing the changes is Oct. 16.
 - There's a link to the memo in today's show notes and I'll tweet it out as well.
 - You can find more in-depth discussions of California's investment in affordable housing in the September issue of the Novogradac Journal of Tax Credits.



- For more immediate assistance, contact my partner Jim Kroger in our Walnut Creek California office.
 - Also, I want you to know I wrote my Washington Wire column on the subject and Marina Wiant of the California Housing Consortium also wrote an article in the Journal on what's new about the state low-income housing tax credit.
- In other California news, a trailer bill to state budget legislation, if adopted, would partially conform the state's tax code to the federal tax code concerning opportunity zones.
 - According to draft language of the bill that was released last week, California opportunity zones investors would receive the same benefits on their state tax bill as their federal bill if the investments met some fairly narrow criteria.
 - The criteria would be eligible investments in affordable housing and clean energy in California.
 - As I noted, the legislation talks about investments in California.
 - More specifically, the legislation would require that opportunity funds have 90 percent of their assets in California opportunity zones property for investors to get the state benefit.
 - A copy of the draft language is included in today's show notes, I'll tweet it out as well, and I'll keep you posted as this legislation progresses, presuming it does.
 - We also expect some tweaks to the legislation before it gets introduced.
- And finally, in other state news, the Kentucky Department of Revenue released a general information letter recently to clarify to whom a nonprofit can transfer the state historic tax credit.
 - Kentucky's historic tax credit regulations specify that a nonprofit can only transfer the credit to an entity that pays the bank franchise tax.
 - This letter clarifies that transferring it to a single-member LLC is only acceptable if that LLC is subject to the bank franchise tax.
 - It's a very specific ruling, but it does provide guidance where guidance was needed.



RELATED RESOURCES

Novogradac Events

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[Novogradac 2019 Historic Tax Credit Conference, Sept. 26-27 Hyatt Regency St. Louis at the Arch](#)

[Novogradac 2019 Credit and Bond Financing for Affordable Housing Conference, Oct. 3-4 JW Marriott New Orleans](#)

[Novogradac 2019 New Markets Tax Credit Fall Conference, Oct. 17-18 Fairmont Austin](#)

[Novogradac 2019 Opportunity Zones Fall Conference, Oct. 24-25 The Fairmont Chicago Millennium Park](#)

[Novogradac 2019 Financing Renewable Energy Tax Credits Conference, Nov. 7-8 The Watergate Hotel](#)

Novogradac Events Team

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Renewable Energy Legislation

[H.R. 4186, Renewable Electricity Tax Credit Equalization Act](#)

HUD Demonstration Program

[HUD Notice of Demonstration to Assess the National Standards for the Physical Inspection of Real Estate and Associated Protocols](#)

California LIHTC Changes

[California Tax Credit Allocation Committee Memo on Proposed LIHTC Regulation Changes](#)

California OZ Conformity Draft Legislation

[Draft Language for California Opportunity Zones Conformity Legislation](#)