

Announcement 91-112, 1991-31 IRB 46, IRC Section 42

This announcement informs taxpayers that an instruction in Part I, Line 3b of the Specific Instructions to Form 8609 (Rev. March 1991), Low-Income Housing Credit Allocation Certification, is incorrect. The instruction states that the special rule under section 42(d)(5)(C) of the Internal Revenue Code allowing an increased credit for buildings in high cost areas is not available for federally subsidized buildings. The Service has concluded that, under the terms of the statutory provision, federally subsidized buildings in high cost areas are eligible for the increased credit under section 42(d)(5)(C).

Therefore, taxpayers should disregard the above instruction contained in the Specific Instructions to Form 8609. Subsequent versions of those instructions will be corrected.

Drafting Information

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