

## Minnesota Housing

- Housing Tax Credit Implementation Plan, and
- Proposed Amended 2009 Qualified Allocation Plan

### For the Housing and Economic Recovery Act of 2008

On July 30, 2008, Congress enacted the Housing and Economic Recovery Act of 2008 (HR 3221) (the Act). The Act results in a wide variety of important Internal Revenue Code (IRC) revisions resulting in the most significant changes to the Low Income Housing Tax Credit (HTC) program since its inception.

The immediacy of the Act's July 30, 2008, effective date necessitated Minnesota Housing to quickly and strategically determine an approach to implementation. On August 28, 2008 the Minnesota Housing Board approved recommendations for implementation of the Act into the 2008 and 2009 HTC program years. To obtain more information on process changes for Round 1, 2009, Round 2, 2009 and Minnesota Housing's plan to pursue an Amended 2009 Qualified Allocation Plan (QAP) please see the related August and October Board Reports at

[http://www.mnhousing.gov/idc/groups/multifamily/documents/webcontent/mhfa\\_007243.pdf](http://www.mnhousing.gov/idc/groups/multifamily/documents/webcontent/mhfa_007243.pdf) (regarding Implementation Plan), and

[http://mnhousing.gov/idc/groups/multifamily/documents/webcontent/mhfa\\_007381.pdf](http://mnhousing.gov/idc/groups/multifamily/documents/webcontent/mhfa_007381.pdf) (Proposed Amended 2009 QAP)

It is important that you are aware of the provisions contained in the Act; some provisions contained in the Act may affect your proposed development.

Listed below are some resources for you to reference relating to the Housing and Economic Recovery Act of 2008 (H.R. 3221). The following list is not all inclusive.

[NCSHA Summary](#)

[NCSHA Home Page\\_\\_www.ncsha.org](http://www.ncsha.org)

[Novogradac Summary](#)

[Novogradac Home\\_\\_www.novoco.com](http://www.novoco.com)

[Nixon Peabody Summary](#)

[Nixon Peabody Home\\_\\_www.nixonpeabody.com](http://www.nixonpeabody.com)

[LISC Summary](#)

[LISC Home Page\\_\\_www.lisc.org](http://www.lisc.org)

Several of the Act's effective dates not only impact the 2009 HTC program, but also reach back and impact the 2008 HTC program. Following the conclusion of Round 2 of a program year, it is typical for the majority of tax credit developments to pursue a carryover allocation versus proceeding directly to placed-in-service. Carryover process requires that the owner of a selected tax credit development make formal application to Minnesota Housing for a carryover review. The carryover review provides Minnesota Housing the opportunity to perform a more current underwriting assessment and to provide additional tax credits based on need and financial feasibility.

If you will be applying for a 2008 carryover allocation, it is extremely important that you become aware of the provisions contained in the Act, and in addition, the process revisions in the Implementation Plan approved by the Minnesota Housing Board, located at [http://www.mnhousing.gov/idc/groups/multifamily/documents/webcontent/mhfa\\_007243.pdf](http://www.mnhousing.gov/idc/groups/multifamily/documents/webcontent/mhfa_007243.pdf). It is your responsibility along with your HTC advisors to structure your carryover application pursuant to the Act and to the Implementation Plan. Minnesota Housing will be updating information contained on the HTC carryover application page of its web site in the near future located at [http://www.mnhousing.gov/housing/developers/allocation/MHFA\\_006663.aspx](http://www.mnhousing.gov/housing/developers/allocation/MHFA_006663.aspx). Please watch the website for the updates. The deadline for submission of carryover applications is no later than 5:00 p.m. on November 3, 2008.

Minnesota Housing's Tax Credit Team is available for consultation regarding the Agency's Implementation Plan. You can reach a member of the Team by calling 651.296.4451. Guidance and interpretation of provisions contained in the Act and their incorporation into Section 42 of the IRC should be obtained from your individual HTC consultants and legal advisors.