

EXECUTIVE SUMMARY

2006 QUALIFIED ALLOCATION PLAN CHANGES

Per General Policy and Guideline #1

To incorporate Katrina Emergency Tax Relief Act of 2005 (Public Law 109-73 of 109th Congress).

*Changes are denoted in **GREEN** font and are underlined*

GENERAL POLICIES AND GUIDELINES

I General Policies and Guidelines

- 1) **Revision:** The 2006 Qualified Allocation Plan (QAP) shall forward commit **2007's annual credit authority (ACA)** and commit/allocate any remaining 2005 and 2006's **ACA. The 2006 QAP shall also commit/allocate 2006 tax credits authorized by the Katrina Emergency Tax Relief Act of 2005 cited as the "Gulf Opportunity Zone Act of 2005" ("GO Zone").** (General Policy and Guideline #1)
- 2) **Revision:** The Corporation will not issue a reservation or commitment to a development requesting **ACA** tax credits in excess of **fifteen percent (15%) of the 2007 per capita component and will not allocate more than \$2,500,000 to any development requesting 2006 "GO Zone" tax credits** to fill the equity gap. (General Policy and Guideline #16)

APPLICATION CYCLE AND FEES

I Application Cycle

Revision: **Cycle 1: February 20 – March 20, 2006**
Cycle 2: July 17 – July 31, 2006 (Any available remaining credits not allocated in Cycle 1)

Revision: **ACA** credits not allocated or credits recaptured during the proposed competition will be carried forward to calendar year 2007 subject to Internal Revenue Service ruling. **2006 "GO Zone" credits not allocated cannot be carried forward.**

Revision: **For Cycle 1**, all inquiries of MHC allocation staff, regarding the QAP application or its process, must be made no later than Friday, March 10, 2006. The Corporation will not provide any technical assistance beyond that date.

For Cycle 2, QAP technical assistance inquiries will be received by phone at (601) 718-4657, by fax at (601) 968-0205 or by e-mail at cycle.two@mshc.com beginning June 19, 2006 with the final date of technical assistance being Friday, July 21, 2006. The Corporation will not provide any technical assistance beyond that date.

SET-A-SIDES

- 1) **Revision:** For 2006, the State of Mississippi will allocate ACA tax credits from its estimated 2007 per capita credit authority, unused credits from previous years, returned credits and national pool credits, if applicable. The State of Mississippi will also allocate credits from its 2006 “GO Zone” tax credit authority. Applications within the “GO Zone” shall receive priority funding from the 2006 “GO Zone” tax credit authority over the ACA tax credits even if the original application request is within another defined set-aside of the QAP.

- 2) **Revision:**
Non-Profit Set-Aside
Non-profit entities will have available for 2006, ten percent (10%) of 2007’s estimated per capita ACA tax credit authority and ten percent (10%) of the “GO Zone” tax credit allocation authority.

- 3) **Revision:**
Congressional Districts Set-Aside
The Corporation will set-aside for each of the state’s four congressional districts five hundred thousand dollars (\$500,000) of 2007’s estimated credit authority with a maximum of three hundred fifty thousand dollars (\$350,000) per development.

- 4) **Revision:**
Single Family Lease Purchase Set-Aside
The Corporation will set aside forty percent (40%), after the reduction for the non-profit and congressional district set-asides, of 2007’s total estimated ACA credit allocation authority, for single family lease purchase developments. The remainder of 2007’s credit authority will be utilized for developments in the statewide set-aside. Single family lease purchase developments will only be eligible to compete in the single family lease purchase set-aside.

5) *Revision:*

Add: Public Law 109-73 109th Congress /Special Disaster Areas Set-Aside

In response to the emerging housing needs of those individuals affected by the devastation of Hurricane Katrina, the Corporation will **allocate “GO Zone” tax credit authority to eligible developments to be located within the counties** that have been declared eligible to receive individual and public assistance as authorized by President Bush and the **109th Congress** as follows:

Adams, Amite, Attala, Choctaw, Claiborne, Clarke, Copiah, Covington, Forrest, Franklin, George, Greene, Hancock, Harrison, Hinds, Holmes, Humphreys, Jackson, Jasper, Jefferson, Jefferson Davis, Jones, Kemper, Lamar, Lauderdale, Lawrence, Leake, Lincoln, Lowndes, Madison, Marion, Neshoba, Newton, Noxubee, Oktibbeha, Pearl River, Perry, Pike, Rankin, Scott, Simpson, Smith, Stone, Walthall, Warren, Wayne, Wilkinson, Winston, and Yazoo.

THE REFERENCED COUNTIES WILL BE TREATED AS DIFFICULT DEVELOPMENT AREAS (DDA’S) UNDER THE “GO ZONE” ACT FOR ALLOCATIONS MADE DURING THE PERIOD BEGINNING ON JANUARY 1, 2006 AND ENDING ON DECEMBER 31, 2008 IN THE CASE OF PROPERTIES PLACED IN SERVICE IN 2006, 2007 OR 2008.