

NCSHA  
National Council of State Housing Agencies  
444 North Capital Street, NW Suite 438  
Washington, DC 20001

August 28, 2006

Mr. Eric Solomon  
Deputy Assistant Secretary for Tax Policy and Regulatory Affairs  
Department of the Treasury  
1500 Pennsylvania Ave., NW, Room 3120  
Washington, DC 20220

Re: IRS Notices 2005-69 and 2006-11

Dear Mr. Solomon:

On behalf of the National Council of State Housing Agencies (NCSHA), I urge you to extend for 12 months the waiver authority Treasury and IRS granted to state Low Income Housing Tax Credit (Housing Credit) allocating agencies in IRS Notices 2005-69 and 2006-11 to provide housing for families displaced due to Hurricanes Katrina and Rita.

NCSHA represents the agencies that administer the Housing Credit program in the 50 states, the District of Columbia, Puerto Rico, and the U.S. Virgin Islands. On their behalf, NCSHA asked IRS in the days following Hurricane Katrina to issue guidance allowing the nation's state Housing Credit allocating agencies to suspend Housing Credit program income limit and tenancy requirements for individuals whose homes were destroyed or damaged due to Hurricane Katrina. IRS provided this relief in Notice 2005-69, which gave each state Housing Credit allocating agency the discretion to suspend through September 30, 2006 these requirements for Hurricane Katrina-displaced individuals who wanted to live in Housing Credit apartments in the state. IRS later provided similar relief for Hurricane Rita-displaced individuals in Notice 2006-11, which also expires September 30, 2006.

These notices gave thousands of displaced individuals and their families an opportunity to live in decent, affordable housing. However, nearly a year after Hurricanes Katrina and Rita devastated the Gulf Region's housing stock and economy, many displaced persons living in Housing Credit apartments are financially unable to return to their hometowns or would not have housing available to them if they were to attempt to return now.

In light of this, NCSHA requests that Treasury and IRS extend the relief embodied in Notices 2005-69 and 2006-11 through September 30, 2007. States would continue to have the discretion to determine the appropriate duration of the rule waiver on a development-by-development basis.

We are sure you can appreciate that this is a time-sensitive matter, as families across the country September 30 move-out dates. NCSHA looks forward to working with you.  
Sincerely,

Barbara J. Thompson  
Executive Director

Cc: Sharon Kay, Treasury  
Susan Reaman, IRS  
Paul Handleman, IRS