



New Hampshire Housing

Bringing You Home

To: Owners/Agents
From: Asset Management, Management & Development Division
Subject: 2014 Income Limits
Date: December 31, 2013

Please be advised that HUD published the 2014 income limits on December 18, 2013 and the limits were effective on that date. The HUD Multifamily income limits (to be used for Section 8) are available at <http://www.huduser.org/portal/datasets/il.html> and on the New Hampshire Housing website at <http://www.nhhfa.org/housing-data-hud-allowances.cfm>.

Properties with Section 42 Low Income Housing Tax Credits (LIHTC) or Section 142 Tax Exempt Bonds must use the Multifamily Tax Subsidy Project (MTSP) Income Limits available at <http://www.huduser.org/portal/datasets/mtsp.html> and on the New Hampshire Housing website at <http://www.nhhfa.org/housing-data-hud-allowances.cfm>. Income limits must be implemented on the effective date or 45 days from the published date, whichever is later, which means the 2014 limits must be implemented no later than January 31, 2014. Please see the clarification below regarding income limit requirements for areas where limits have decreased.

NOTE: For Section 8 properties that also have Tax Credits/Tax Exempt Bonds and/or HOME, the strictest of all three applicable income limits must be used.

For properties that do not have Tax Credits or Tax Exempt Bond financing, the Section 8 income limits must be used.

For properties with HOME funds, the 2014 HOME income limits have not been published to date. Please continue to rely on the 2013 limits until further notice.

If you have any questions, please contact your Asset Manager.

The following clarification applies to the MTSP income limits only. If you have properties with Tax Credits and/or Tax Exempt Bonds, please read below. This clarification DOES NOT apply to HUD Multifamily or HOME income limits.

For Tax Credit and Tax Exempt Bond properties the IRS has a “Hold Harmless” policy regarding income limits. What this means (as summarized by Grace Robertson of the IRS) is: “For both qualified residential rental properties under IRC §142 [Tax Exempt Bonds] and low-income housing under IRC §42 [Tax Credits], an initial AMGI is determined with respect to a project and the AMGI for any given year going forward from the date of initial determination will never be less than the AMGI for the year before.” Basically, income limits for Tax Credit and Tax Exempt Bond properties will never go down. If the income limit for a specific area goes

down, the property will continue to use the same income limits that they used for the previous year. New properties coming online would have to use the limits published for that year.

Again, this only applies to the MTSP income limits used for Tax Credits and Tax Exempt Bonds. Please continue to follow the requirements for the HUD Multifamily (Section 8) income limits and the HOME income limits (which have not been published yet for 2013). Properties with a combination of any of these must comply with all applicable income limits.