

## Part III - Administrative, Procedural and Miscellaneous

### GO Zone Resident Population Estimates

#### Notice 2006-21

This notice informs the states of Alabama, Louisiana, and Mississippi of their state population portion in the Gulf Opportunity Zone (GO Zone) to determine the (1) Gulf Opportunity housing amount under ' 1400N(c)(1)(B) of the Internal Revenue Code, and (2) maximum aggregate face amount of qualified Gulf Opportunity Zone Bonds (GO Zone Bonds) under ' 1400N(a)(3) of the Code.

#### BACKGROUND

The Gulf Opportunity Zone Act of 2005 (P. L. 109-135, 119 Stat. 25) (GOZA) added ' 1400M and ' 1400N to the Code to provide certain tax benefits to those areas affected by Hurricanes Katrina, Wilma, and Rita. Section 1400M(1) defines the GO Zone as that portion of the Hurricane Katrina disaster area determined by the President to warrant individual or individual and public assistance from the Federal Government under the Robert T. Stafford Disaster Relief and Emergency Assistance Act [Stafford Act] by reason of Hurricane Katrina. Section 1400M(2) defines the term "Hurricane Katrina disaster area" as an area with respect to which a major disaster has been declared by the

President before September 14, 2005, under section 401 of the Stafford Act by reason of Hurricane Katrina. The Federal Emergency Management Agency (FEMA) has identified those counties and parishes in Alabama, Louisiana, and Mississippi that warrant individual or individual and public assistance resulting from Hurricane Katrina. These counties and parishes are:

**Alabama--** Baldwin, Choctaw, Clarke, Greene, Hale, Marengo, Mobile, Pickens, Sumter, Tuscaloosa, and Washington.

**Louisiana--** Acadia, Ascension, Assumption, Calcasieu, Cameron, East Baton Rouge, East Feliciana, Iberia, Iberville, Jefferson, Jefferson Davis, Lafayette, Lafourche, Livingston, Orleans, Plaquemines, Pointe Coupee, St. Bernard, St. Charles, St. Helena, St. James, St. John the Baptist, St. Martin, St. Mary, St. Tammany, Tangipahoa, Terrebonne, Vermilion, Washington, West Baton Rouge and West Feliciana.

**Mississippi--** 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.

Additional Housing Credit Amount

Section 1400N(c)(1)(A) provides that, for purposes of ' 42, in the case of calendar years 2006, 2007, and 2008, the State housing credit ceiling of each

State, any portion of which is located in the Go Zone, shall be increased by the lesser of—

(i) the aggregate housing credit dollar amount allocated by the State housing credit agency of such State to buildings located in the Go Zone for such calendar year, or

(ii) the Gulf Opportunity housing amount for such State for such calendar year. Section 1400N(c)(1)(B) defines the term “Gulf Opportunity housing amount” to mean, for any calendar year, the amount equal to the product of \$18.00 multiplied by the portion of the State population which is in the Go Zone (as determined on the basis of the most recent census estimate of resident population released by the Bureau of the Census before August 28, 2005). The Gulf Opportunity housing amount is not adjusted for inflation. Only Alabama, Louisiana, and Mississippi have state population located in the GO Zone and thus qualify for the Gulf Opportunity housing amount.

#### GO Zone Bond Amount

Section 1400N(a)(1) provides that any GO Zone Bond may be treated as either an exempt facility bond or qualified mortgage bond. Section 1400N(a)(3)(A) provides that the maximum aggregate face amount of bonds that may be designated as Go Zone Bonds for any State shall not exceed the product of \$2,500 multiplied by the portion of the State population that is in the Go Zone (as determined on the basis of the most recent census estimate of resident population released by the Bureau of the Census before August 28, 2005). Section 1400N(a)(2)(B) provides that a GO Zone Bond can only be issued by the

state of Alabama, Louisiana, Mississippi, or any political subdivision thereof. Section 1400N(a)(2)(D) provides that a GO Zone bond must be issued after December 21, 2005, and before January 1, 2011.

PORTION OF STATE POPULATION IN GO ZONE

The most recent census estimate of the resident population released by the U.S. Census Bureau before August 28, 2005, that reflects the portion of state population that is in the Go Zone is the July 1, 2004, Annual Estimates of the Population for Counties released by the U.S. Census Bureau on April 14, 2005, in Press Release CB05-51. The portion of each state's population that is in the Go Zone is determined by adding together the population estimate provided by CB05-51 for each county and parish located in the GO Zone for that state. The results are used to determine each state's Gulf Opportunity housing amount under ' 1400N(c)(1)(B) and the maximum aggregate face amount of bonds that may be designated as Go Zone Bonds under ' 1400N(a)(3)(A).

Each state's total portion is provided below:

Portion of State Population in Go Zone

Alabama	869,544
Louisiana	3,153,293
Mississippi	1,968,283

The principal authors of this notice are Christopher J. Wilson, Office of the

Associate Chief Counsel (Passthroughs and Special Industries) and Timothy L. Jones, Office of the Division Counsel/Associate Chief Counsel (Tax-Exempt and Government Entities). For further information regarding this notice contact Mr. Wilson on (202) 622-3040 (not a toll-free call).