

Rev. Proc. 91-43, 1991-2 CB 732--IRC Sec(s). 42

1. PURPOSE

This revenue procedure publishes the population figures for states and the District of Columbia for use in determining the 1991 calendar year (1) population-based component of the state housing credit ceiling under section 42(h)(3)(C)(i) of the Internal Revenue Code, and (2) volume cap under section 146.

2. BACKGROUND

01. State Housing Credit Ceiling

(1) Section 42(h)(1) of the Code provides generally that any building (other than a building a certain percentage of which is financed with proceeds of tax-exempt private activity bonds) is eligible for the low-income housing credit under section 42 only if it receives an allocation of a housing credit dollar amount from the state or local housing credit agency (State Agency) of the jurisdiction in which the building is located.

(2) Section 42(h)(3)(A) of the Code provides that the aggregate housing credit dollar amount that a State Agency may allocate for any calendar year is the portion of the state housing credit ceiling (Credit Ceiling) allocated to the State Agency for the calendar year.

(3) Section 42(h)(3)(C) of the Code defines the Credit Ceiling as an amount equal to the sum of four components. One component, the "population-based component," equals \$1.25 multiplied by the state population.

(4) Section 42(h)(3)(G) of the Code provides that for purposes of section 42(h), population is determined in accordance with section 146(j).

02. Volume Cap

(1) Section 103(a) of the Code provides that gross income does not include interest on any state or local bond. However, section 103(b) provides that section 103(a) does not apply to any private activity bond that is not a qualified bond within the meaning of section 141.

(2) Section 141(e)(2) of the Code provides that one requirement that must be met in order for a private activity bond to be a "qualified bond" is that the issue of which the bond is a part must meet the applicable requirements of section 146.

(3) Section 146(a) of the Code provides that a private activity bond meets the requirements of section 146 if the aggregate face amount of the issue of private activity bonds of which it is a part, when added to the aggregate face amount of tax-exempt private activity bonds previously issued by the issuing authority (Issuing Authority) during the calendar year, does not exceed the Issuing Authority's volume cap for the calendar year.

(4) The volume cap for any Issuing Authority is defined by section 146(b) of the Code as a percentage of the state ceiling for the calendar year.

(5) Section 146(d) of the Code defines the state ceiling applicable to any state for any calendar year after 1987 as the greater of \$50 multiplied by the state population or \$150,000,000.

(6) Section 146(j) of the Code provides that population determinations of any state (or Issuing Authority) are made with respect to any calendar year on the basis of the most recent census estimate of the resident population of the state (or Issuing Authority) released by the Bureau of the Census before the beginning of that calendar year.

03. Population Figures

(1) On December 26, 1990, the Bureau of the Census issued press release CB90-232, which contains population figures to be used for apportioning the 435 seats in the U.S. House of Representatives among the 50 states. These population figures include residents and nonresidents of each state (*i.e.*, overseas military personnel and other overseas federal workers and dependents not in the United States as of April 1, 1990).

(2) On January 7, 1991, the Bureau of the Census issued press release CB91-07, which provides the final resident population figures for the 50 states and the District of Columbia as of April 1, 1990.

(3) Because press release CB90-232 includes nonresidents in its population figures and because press release CB91-07 was not released before the beginning of calendar year 1991, neither meets the statutory requirements of section 146(j) of the Code, and neither may be used by State Agencies, states, or Issuing Authorities for purposes of determining the 1991 calendar year Credit Ceiling or volume cap.

(4) The most recent census estimate of the resident population of the states (or Issuing Authorities) released by the Bureau of the Census before the beginning of calendar year 1991 is that contained in the Bureau of the Census publication "Current Population Reports, Series P-25: Populations Estimates and Projections, Estimates of the Population of States" (Series P- 25 Report) issued in March 1990, which published the census estimates as of July 1, 1989. Therefore, State Agencies, states, and Issuing Authorities must use the population figures contained in the March 1990 Series P-25 Report for purposes of determining the 1991 calendar year Credit Ceiling and volume cap.

3. SCOPE

The state population figures published in this revenue procedure are for use by State Agencies, states, and Issuing Authorities in determining the 1991 calendar year Credit Ceiling and volume cap.

4. PROCEDURE

01. For purposes of section 146(j) of the Code, the state population figures for use by State Agencies, states, and Issuing Authorities for the 1991 calendar year are the July 1, 1989 Estimates of the Resident Population of States contained in the Series P-25 Report issued by the Bureau of the Census in March 1990. For convenience, these estimates are reprinted below.

1990 Final Resident Population Figures

State Population

Alabama 4,118,000

Alaska 527,000

Arizona 3,556,000

Arkansas 2,406,000

California 29,063,000

Colorado 3,317,000

Connecticut 3,239,000

Delaware 673,000

D.C. 604,000

Florida 12,671,000

Georgia 6,436,000

Hawaii 1,112,000

Idaho 1,014,000

Illinois 11,658,000

Indiana 5,593,000

Iowa 2,840,000

Kansas 2,513,000

Kentucky 3,727,000

Louisiana 4,382,000 <Page 733>

Maine 1,222,000

Maryland 4,694,000
Massachusetts 5,913,000
Michigan 9,273,000
Minnesota 4,353,000
Mississippi 2,621,000
Missouri 5,159,000
Montana 806,000
Nebraska 1,611,000
Nevada 1,111,000
New Hampshire 1,107,000
New Jersey 7,736,000
New Mexico 1,528,000
New York 17,950,000
North Carolina 6,571,000
North Dakota 660,000
Ohio 10,907,000
Oklahoma 3,224,000
Oregon 2,820,000
Pennsylvania 12,040,000
Rhode Island 998,000
South Carolina 3,512,000
South Dakota 715,000
Tennessee 4,940,000
Texas 16,991,000
Utah 1,707,000

Vermont 567,000

Virginia 6,098,000

Washington 4,761,000

West Virginia 1,857,000

Wisconsin 4,867,000

Wyoming 475,000

5. EFFECTIVE DATE

This revenue procedure is effective for determinations of population under section 146(j) of the Code for the 1991 calendar year.