

**Feb 27, 1996**

**Section 1. Purpose**

This revenue procedure publishes the population figures for states and the District of Columbia for use in determining the 1996 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.

**Section 2. Background**

.01 State Housing Credit Ceiling

(1) Section 42(h)(1) 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) 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) defines the credit ceiling as an amount equal to the sum of four components. One component, the "population component," equals \$1.25 multiplied by the state population.

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

## .02 Volume Cap

(1) Section 103(a) 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) 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) 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) as a percentage of the state ceiling for the calendar year.

(5) Section 146(d) 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) 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 January 26, 1996, in press release CB96-10, the Bureau of the Census released resident population estimates for the 50 states and the District of Columbia as of July 1, 1995.

(2) The estimates released in press release CB96-10 were not released before the beginning of calendar year 1996. Accordingly, the estimates do not meet the statutory requirements of section 146(j), and may not be used by state agencies, states, or issuing authorities for purposes of determining the 1996 calendar year credit ceiling or volume cap.

(3) The most recent census estimates of the resident population of the states (or issuing authorities) released by the Bureau of the Census before the beginning of calendar year 1996 are those contained in CB94-204, which are estimates as of July 1, 1994. These population estimates are the same estimates published in Notice 95-8, 1995-1 C.B. 293, for use by state agencies, states, and issuing authorities in determining the 1995 calendar year credit ceiling and volume cap.

### **Section 3. Scope**

The state population figures published in this revenue procedure are to be used by state agencies, states, and issuing authorities in determining the 1996 calendar year credit ceiling and volume cap.

### **Section 4. Procedure**

.01 For purposes of section 146(j), the state population figures to be used by state agencies, states, and issuing authorities for the 1996 calendar year are the estimates of the resident population of states for July 1, 1994, released by the Bureau of the Census on December 28, 1994, in press release CB94-204. For convenience, these estimates are reprinted below.

Resident Population Estimates for July 1, 1994.

State Population

Alabama 4,219,000  
Alaska 606,000  
Arizona 4,075,000  
Arkansas 2,453,000  
California 31,431,000  
Colorado 3,656,000  
Connecticut 3,275,000  
Delaware 706,000  
D.C. 570,000  
Florida 13,953,000  
Georgia 7,055,000  
Hawaii 1,179,000  
Idaho 1,133,000  
Illinois 11,752,000  
Indiana 5,752,000  
Iowa 2,829,000  
Kansas 2,554,000  
Kentucky 3,827,000  
Louisiana 4,315,000  
Maine 1,240,000  
Maryland 5,006,000  
Massachusetts 6,041,000  
Michigan 9,496,000  
Minnesota 4,567,000

Mississippi 2,669,000  
Missouri 5,278,000  
Montana 856,000  
Nebraska 1,623,000  
Nevada 1,457,000  
New Hampshire 1,137,000  
New Jersey 7,904,000  
New Mexico 1,654,000  
New York 18,169,000  
North Carolina 7,070,000  
North Dakota 638,000  
Ohio 11,102,000  
Oklahoma 3,258,000  
Oregon 3,086,000  
Pennsylvania 12,052,000  
Rhode Island 997,000  
South Carolina 3,664,000  
South Dakota 721,000  
Tennessee 5,175,000  
Texas 18,378,000  
Utah 1,908,000  
Vermont 580,000  
Virginia 6,552,000  
Washington 5,343,000

West Virginia 1,822,000

Wisconsin 5,082,000

Wyoming 476,000

### **Section 5. Effective Date**

This revenue procedure is effective for determinations of population under section 146(j) for the 1996 calendar year.

### **Drafting Information**

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