

2017-2018 Tax Credit Program

Bulletin # 2

April 20, 2018

Changes:

2017-2018 TC Manual:

The Technical Amendments to the 2017-2018 Tax Credit Manual, #6, Set-Asides (pages 8-10), currently reads as follows:

The Authority has six (6) Set-Asides in which applicants may compete for credits: General, Underserved Counties, Rehabilitation, Rural Housing Service (RHS), Large Population Urban and Nonprofit Set-Asides. Developments in the Nonprofit Set-Aside will be funded first. Proposals in the General Set-Aside will be considered for funding after awards in all other Set-Asides have been made. Except for applications in the Nonprofit Set-Aside, developments competing in the same county for an award of credits will be funded based on the highest scoring application. Unused funds in the Underserved Counties, Rehabilitation, Large Population Urban, Nonprofit (after the minimum 10% IRS requirement is met) or RHS Set-Asides will roll up to the General Set-Aside. After awards have been made in the General Set-Aside, any unused funds remaining in this Set-Aside will be allocated to the development, irrespective of the development's Set-Aside, having the highest funding percentage.

- **General Set-Aside:** Up to \$4,900,000 of the state LIHTC ceiling is initially reserved.
- **Underserved Counties Set-Aside:** Up to \$1,550,000 of the state LIHTC ceiling is initially reserved.
 - **(b)** To compete in this Set-Aside, development sites must be located in the following counties:
Abbeville, Allendale, Bamberg, Barnwell, Calhoun, Chester, Chesterfield, Clarendon, Colleton, Edgefield, Fairfield, Georgetown, Jasper, Lancaster, Laurens, Lee, Marlboro, McCormick, Newberry, and Saluda.
- **Rehabilitation Set-Aside:** Up to \$1,600,000 of the state LIHTC ceiling is initially reserved.
- **Rural Housing Service (RHS) Set-Aside:** Up to \$900,000 of the state LIHTC ceiling is initially reserved.
- **Large Population Urban Set-Aside:** Up to \$850,000 of the state LIHTC ceiling is initially reserved.
 - **(c)** Development size must be 57 affordable units or more.
- **Nonprofit Set-Aside:** The Authority will initially reserve up to \$2,200,000 of the state LIHTC ceiling.

President Trump signed into law the 2018 omnibus spending bill (HR 1625) on March 23, 2018, whereby all states will receive a 12.5% increase in tax credit allocations every year for the next 4 years (2018-2021). Therefore, the Technical Amendments to the 2017-2018 Tax Credit Manual, #6, Set-Asides (pages 8-10) is changed to read:

The Authority has six (6) Set-Asides in which applicants may compete for credits: General, Underserved Counties, Rehabilitation, Rural Housing Service (RHS), Large Population Urban and Nonprofit Set-Asides. Developments in the Nonprofit Set-Aside will be funded first. Proposals in the General Set-Aside will be considered for funding after awards in all

other Set-Asides have been made. Except for applications in the Nonprofit Set-Aside, developments competing in the same county for an award of credits will be funded based on the highest scoring application. Unused funds in the Underserved Counties, Rehabilitation, Large Population Urban, Nonprofit (after the minimum 10% IRS requirement is met) or RHS Set-Asides will roll up to the General Set-Aside. After awards have been made in the General Set-Aside, any unused funds remaining in this Set-Aside will be allocated to the development, irrespective of the development's Set-Aside, having the highest funding percentage.

- **General Set-Aside:** Up to \$5,628,525 of the state LIHTC ceiling is initially reserved.
- **Underserved Counties Set-Aside:** Up to \$1,551,310 of the state LIHTC ceiling is initially reserved.
 - **(b)** To compete in this Set-Aside, development sites must be located in the following counties:
Abbeville, Allendale, Bamberg, Barnwell, Calhoun, Chester, Chesterfield, Clarendon, Colleton, Edgefield, Fairfield, Georgetown, Jasper, Lancaster, Laurens, Lee, Marlboro, McCormick, Newberry, and Saluda.
- **Rehabilitation Set-Aside:** Up to \$1,662,120 of the state LIHTC ceiling is initially reserved.
- **Rural Housing Service (RHS) Set-Aside:** Up to \$941,870 of the state LIHTC ceiling is initially reserved.
- **Large Population Urban Set-Aside:** Up to \$850,000 of the state LIHTC ceiling is initially reserved.
 - **(c)** Development size must be 57 affordable units or more.
- **Nonprofit Set-Aside:** The Authority will initially reserve up to \$2,448,835 of the state LIHTC ceiling.