

Attention 2012 Housing Tax Credit Applicants

South Dakota Housing Development Authority has \$2,640,000 Housing Tax Credits (HTCs) available for the 2012 application round. The development/project limit is \$528,000, the developer limit is \$660,000, and the non-profit set aside is \$264,000.

The Housing and Economic Recovery Act of 2008 set the 70 percent present value credit rate at the greater of the current Applicable Credit Rate or nine percent (9%), effective for all buildings placed in service prior to December 31, 2013. Therefore, per Section 42(b)(2) all buildings placed in service **before December 31, 2013**, may receive the 9% Applicable Credit Rate. All buildings placed in service **on or after December 31, 2013**, will received the Applicable Credit Rate locked in at time of Conditional Reservation or the month in which the building is placed in service, as elected by the Owner. The published Applicable Credit Rate for February 2012 is 7.42%.

The Owner is responsible for electing the Applicable Credit Rate that will apply toward the building(s) within the project. SDHDA will not provide additional financial resources if the Owner does not receive the Applicable Credit Rate as anticipated.