

2006 Tax Credit Training Program Proposal

Dates: April 25-26, 2006

Price: \$199 – For one day
\$375 – Both days

Topics:

1) The Section 42 Program - From the Cradle to the Grave = 1 Full Day Seminar

This one day seminar takes the participant through the entire Low-Income Housing Tax Credit (LIHTC) Program from first applying for tax credits from the state agency, through the federal compliance requirements, to exit options for the owner after the Compliance Period. We will discuss how an owner first becomes eligible for tax credits, how the amount of tax credits are determined for a development, why applying for tax credits is so competitive, and what can happen if an owner does not comply with the requirements. At the end of this seminar, the participant will understand the entire LIHTC process and why compliance with the Program is so important. Owners, Developers, Development and Compliance staff will find this seminar most informative whether just beginning in the Program or working in just one area of it.

- Background of the Section 42 program
- Calculating Credit for a Development
 - Eligible Basis
 - Applicable Fraction
 - Qualified Basis
 - Applicable Percentage
 - Maximum Allowable Credit
 - Credit Period
- Applying to the State Agency for Tax Credits - QAP
 - State Preference, Selection Criteria & Housing Goals
 - Set Aside Categories
 - Threshold Requirements
 - Scoring
 - Funding Processes
 - IRS form 8609
- General Compliance/Management Requirements
 - Compliance Period vs. Extended Use Period
 - Minimum Set Aside
 - State Set Aside Requirements
 - Maximum Income & Rent Limits
 - Lease Terms & Transient Rule
 - Fair Housing Act and Section 42 General Public Use Rules
 - Unit Vacancy Rule
 - Next Available Unit Rule
 - Unit Transfer Rules
 - IRS Form 8823 & Consequences of Noncompliance
- Extended Use Agreement Provisions
 - Qualified Contract Provisions
 - Release of Extended Use Agreements
- Going Market vs. Staying Affordable

Determining Household Eligibility = 1 Full Day Workshop

This one day Workshop will provide a short overview of the LIHTC Program, but will mainly focus on the federal and Indiana state specific household eligibility requirements for residents of tax credit financed housing. We will take you through the process every application must go through before move-in including: calculating, verifying, and certifying household income using the HUD Handbook. Hands-on exercises using the actual documents needed for a complete and compliant resident file will be performed. We will also show participants procedures for monitoring resident files for completeness and correctness and how those files and the physical development must fit with what the owner elected when applying for the Credit. On-site property management staff and compliance staff will find this workshop especially useful.

- Responsibilities
 - IRS
 - State Agency
 - Owner
 - Management Company
- Federal vs. State Compliance Requirements
 - Minimum Set Asides
 - Maximum Income & Rent
 - Homeless Set Aside vs. Non-Transient Occupancy
 - Disabled Set Aside
 - Unit Transfer, Unit Vacany & Next Available Unit Rules
 - Owner Certification and Tenant Reporting
- Who can reside in a Section 42 Development? - HUD Handbook 4350.3
 - Student eligibility
 - Household Members
- Determining Household Income - HUD Handbook 4350.3
 - What Income is Included
 - What income is Excluded
 - Calculating Annual Income
 - Calculating Annual Income from Assets
- Steps to Determining if a Household Qualifies
 - Applicant Interview
 - Information on Application/Eligibility Questionnaire
 - Methods of Verification
 - Tenant Certification
 - Tenant Re-Certification
 - Interim Certifications
- Tenant File Reviews/Inspections
- Noncompliance with the Program
 - IRS Form 8823
 - Recapture of Credits/Syndicator Consequences