

**Annual Low-Income Housing  
Credit Agencies Report**

► Under section 42(l)(3) of the Internal Revenue Code

Name of housing credit agency \_\_\_\_\_ Employer identification number of agency \_\_\_\_\_

Address of housing credit agency \_\_\_\_\_ Check box if amended report  **FOR IRS USE ONLY**

**Part I Reconciliation of Attached Forms and Schedules**

1	Enter the number of attached Forms 8609 used to allocate credit in 2007	1	
2a	Enter the number of attached Forms 8609 for credits (1) allocated prior to 2007 and (2) attributable under section 42(h)(4) to projects financed by tax-exempt bonds	2a	
b	Enter the total dollars allowed to those projects described in 2a(2) above		
3	Enter the number of attached Schedules A (Form 8610) reporting 2007 carryover allocations	3	
4	<b>Total number of attached forms and schedules.</b> Add lines 1, 2a, and 3	4	

**Part II Reconciliation of Credit Ceilings and Allocations** (see instructions)

5a	Alabama, Louisiana, and Mississippi ONLY—additional housing credit dollar amount: enter the lesser of \$18.00 multiplied by the portion of the state’s population in the GO Zone or the amount allocated in the GO Zone in 2007	5a	
b	Enter the greater of \$1.95 multiplied by the state’s population or \$2,275,000	5b	
c	Enter the amount of credit ceiling returned in 2007 from allocations prior to 2007	5c	
d	Enter the amount (if any) allocated to the state from the 2007 National Pool	5d	
e	Add lines 5b, 5c, and 5d	5e	
f	Enter the unused state housing credit ceiling (if any) from the 2006 Form 8610, line 9	5f	
g	<b>Total state housing credit ceiling for 2007.</b> Add lines 5a, 5e, and 5f	5g	
h	Enter the total amount included in line 5g allocated during 2007 to qualified nonprofit organizations under section 42(h)(5) ► \$		
6a	Enter the total dollar amount of credits from Forms 8609 used to allocate credit in 2007	6a	
b	Enter the total dollar amount of credits from Schedules A (Form 8610), line 5	6b	
c	<b>Total credits allocated during 2007.</b> Add lines 6a and 6b (cannot exceed line 5g)	6c	
d	Subtract line 5a from line 6c	6d	
7	Enter the smaller of line 5f or line 6d	7	
8	Subtract line 7 from line 6d	8	
9	<b>State’s unused housing credit ceiling carryover to 2008.</b> Subtract line 8 from line 5e. If zero or less, enter -0-	9	
10	<b>Unused 2006 carryover assigned to 2008 National Pool.</b> Subtract line 7 from line 5f	10	

**Part III Compliance With Low-Income Housing Requirements** (see instructions)

- 11 Does the state’s qualified allocation plan in effect for 2007 include compliance monitoring procedures as required in section 42(m)(1)(B)(iii) and Regulations section 1.42-5(a)(2), including monitoring for habitability standards through regular site visits? (If “No,” attach an explanation.)  Yes  No
- 12 Has the housing credit agency, for 2007 (or its most recent 12-month operating period), complied with all applicable requirements under the compliance monitoring procedures in its qualified allocation plan? (If “No,” attach an explanation.)  Yes  No
- 13 Has the housing credit agency, for 2007 (or its most recent 12-month operating period), complied with the requirements of its monitoring procedures to fulfill its notification of noncompliance responsibilities under Regulations section 1.42-5(e)? (If “No,” attach an explanation.)  Yes  No
- 14a Number of projects subject to monitoring for which all buildings were placed in service before 2005
- b Number of projects on line 14a that have had on-site inspections of all buildings in the last 3 calendar years
- c Number of projects on line 14a for which at least 20% of the low-income units have been inspected and reviewed in the last 3 calendar years as required by Regulations section 1.42-5(c)(2)(ii)(B)

**Part III Compliance With Low-Income Housing Requirements** (see instructions) (continued)

<b>15a</b> Number of projects for which the last building was placed in service in 2005 . . . . .	<b>15a</b>	
<b>b</b> Number of projects on line 15a for which <b>all</b> buildings have had on-site inspections . . . . .	<b>15b</b>	
<b>c</b> Number of projects on line 15a for which at least 20% of the low-income units have been inspected and reviewed as required by Regulations section 1.42-5(c)(2)(ii)(A) . . . . .	<b>15c</b>	
<b>16a</b> Number of projects for which the last building was placed in service in 2006 . . . . .	<b>16a</b>	
<b>b</b> Number of projects on line 16a for which <b>all</b> buildings have had on-site inspections . . . . .	<b>16b</b>	
<b>c</b> Number of projects on line 16a for which at least 20% of the low-income units have been inspected and reviewed as required by Regulations section 1.42-5(c)(2)(ii)(A) . . . . .	<b>16c</b>	

Under penalties of perjury, I declare that I have examined this report and accompanying forms, schedules, binding agreements, and election statements, and other attachments, and to the best of my knowledge and belief, they are true, correct, and complete.

----- Signature of Authorizing Official ----- Print Name and Title ----- Date -----

**General Instructions**

Section references are to the Internal Revenue Code unless otherwise noted.

**What's New**

The population component of the state housing credit ceiling for 2007 is the greater of \$1.95 times the state's population or \$2,275,000.

In addition, the Gulf Opportunity (GO) Zone Act of 2005 made it possible in 2007 for the states of Alabama, Louisiana, and Mississippi to increase their housing credit ceiling. The guidelines for these increases are explained in *Credit ceiling increases due to GO Zone Act of 2005*, under *Purpose of Form*, below.

If a housing credit agency has granted any project relief for carryover allocations discussed in section 5 of Rev. Proc. 2007-54, the agency must properly complete and attach a copy of Schedule A (Form 8610) for the projects for which it has approved relief. For more information, see *Major disaster declarations issued after July 1, 2007*, under *Who Must File*, later.

**Purpose of Form**

Housing credit agencies use Form 8610 to transmit Forms 8609, Low-Income Housing Credit Allocation and Certification, and Schedules A (Form 8610) to the IRS. Form 8610 is also used to report the dollar amount of housing credits allocated during the calendar year. The housing credit agency must not allocate more credits than it is authorized to allocate during the calendar year.

Generally, the state housing credit ceiling for any state is the sum of:

1. The larger of \$2,275,000 or \$1.95 multiplied by the state's population,
2. The amount of state housing credit ceiling returned in 2007 from allocations made prior to 2007,
3. The amount, if any, allocated to the state from the National Pool, plus
4. The unused state housing credit ceiling, if any, for 2006.

See Regulations section 1.42-14 for more information.

**Credit ceiling increases due to GO Zone Act of 2005.** In the following situation, the housing credit ceiling for certain states will increase.

For 2007 and 2008, the housing credit ceiling for the states of Alabama, Louisiana, and Mississippi is increased by the lesser of \$18.00 multiplied by the state's population in the Gulf Opportunity (GO) Zone or the housing credit dollar amount allocated to buildings located in the state's GO Zone. See *Line 5a*, later.

See section 1400N(c) for more information.

**Who Must File**

Any housing credit agency authorized to make an allocation of the credit (even if no credit is actually allocated) on a Form 8609 or carryover allocation reported on a Schedule A (Form 8610) to an owner of a qualified low-income building during the calendar year must complete and file Form 8610. In states with multiple housing credit agencies (including states with constitutional home rule cities), the agencies must coordinate and file one Form 8610.

**Major disaster declarations issued before July 2, 2007.** If a housing credit agency has granted any project relief for carryover allocations discussed in section 5 of Rev. Proc. 95-28, 1995-1 C.B. 704, the agency must attach to Form 8610 a list of the projects for which it has approved relief. The housing credit agency should list only those projects that had received its approval of the carryover allocation relief since the agency last filed Form 8610.

**Major disaster declarations issued after July 1, 2007.** If a housing credit agency has granted any project relief for carryover allocations discussed in section 5 of Rev. Proc. 2007-54, 2007-31 I.R.B. 293, the agency must attach to Form 8610 a copy of the Schedule A (Form 8610) for the projects for which it has approved relief. These attached copies of Schedule A (Form 8610) must have the box checked that indicates the housing credit agency granted carryover allocation relief under Rev. Proc. 2007-54. The housing credit agency should only include Schedules A (Form 8610) for projects receiving approval of the carryover allocation relief since the agency last filed Form 8610. The information from these particular Schedules A (Form 8610) are not included on any line in Part I or Part II of Form 8610.

**When To File**

File the 2007 Form 8610 with accompanying Forms 8609 (with only Part I completed) and Schedules A (Form 8610) by February 28, 2008.

**Where To File**

File Form 8610 and attached forms and schedules with:

Internal Revenue Service  
P.O. Box 331  
Attn: LIHC Unit, DP 607 South  
Philadelphia Campus  
Bensalem, PA 19020

**Penalty**

The \$100 penalty under section 6652(j) applies to any failure to file Form 8610 when due.

**Specific Instructions**

**Note.** The primary housing credit agency may rely on information provided by any constitutional home rule city or local housing credit agency under Regulations section 1.42-1T(c)(3) or (4).

To ensure that Form 8610 is correctly processed, attach all forms and schedules to Form 8610 in the following order.

1. Forms 8609.
2. Schedules A (Form 8610), not including those for projects approved for carryover allocation relief under Rev. Proc. 2007-54.
3. Listing of projects approved for carryover allocation relief under Rev. Proc. 95-28.
4. Schedules A (Form 8610) for projects approved for carryover allocation relief under Rev. Proc. 2007-54.

**Amended Report**

If this is an amended Form 8610, check the "amended report" box. Use the same version of the form that was originally filed (for example, a 2007 Form 8610 to amend the 2007 report, a 2006 Form 8610 to amend the 2006 report, etc.).

Complete only those lines that are being amended by entering the correct information. Attach any additional documentation necessary to explain why an amended Form 8610 is being filed.

**Part I**

**Line 1**

Enter the total number of Forms 8609 attached to this Form 8610 that were used to allocate credit during 2007. Do not include Forms 8609 issued to taxpayers that reflect credit allocations made prior to 2007 on section 42(h)(1)(E) or 42(h)(1)(F) carryover allocation documents.

**Line 2a**

Enter the total number of Forms 8609 attached to this Form 8610 for:

- Credit allocations made prior to 2007 on section 42(h)(1)(E) or 42(h)(1)(F) carryover allocation documents and
- Credits attributable to projects financed by tax-exempt bonds subject to volume cap under section 42(h)(4).

**Part II**

**Line 5a**

For 2007 and 2008, an additional housing credit amount is available ONLY to the states of Alabama, Louisiana, and Mississippi. The additional amount is the lesser of the following:

1. The total housing credit dollar amount allocated by the state housing credit agency to buildings located in the state's GO Zone for the calendar year, or
2. \$18.00 multiplied by the state's population in its GO Zone.

When making the calculation described in (2) above, use the following figures for the state's population in its GO Zone.

- Alabama—869,544
- Louisiana—3,153,293
- Mississippi—1,968,283

See Notice 2006-21, 2006-12 I.R.B. 643, for more information, including a list of the counties and parishes in the GO Zone and how the state's population in the GO Zone was determined.

**Line 5b**

A state's population is determined according to section 146(j). See Notice 2007-23, 2007-11 I.R.B. 690, for applicable population figures.

**Line 5c**

Do not include on this line allocations made and returned in the same year.

**Line 5d**

Enter the "Amount Allocated," if any, for your state in Rev. Proc. 2007-55, 2007-33 I.R.B. 354.

**Line 5g**

This is the state housing credit ceiling available for allocations during 2007.

**Line 5h**

Not more than 90% of the line 5g amount is allowed to be allocated to projects other than qualified low-income housing projects described in section 42(h)(5)(B).

**Lines 6a and 6b**

Enter on the applicable line the dollar amount actually allocated during 2007. Do not include the following.

- Credits allowed to tax-exempt bond financed projects under section 42(h)(4). These credits do not count against the total state housing ceiling authorized on line 5g.
- Amounts allocated and returned during the year, unless such amounts are reallocated by the close of the year.

On line 6a, enter the total amounts reported on all Forms 8609, Part I, line 1b, that are included on line 1 of this Form 8610. On line 6b, enter the total amounts reported as carryover allocations that are included on line 3 of this Form 8610.

**Part III**

**Lines 14a, 15a, and 16a**

Do not include buildings no longer subject to compliance monitoring because, for example, the buildings are no longer participating in the low-income housing credit program.

**Line 14a**

For buildings whose compliance periods ended during the last 3 calendar years, complete lines 14b and 14c with respect to the 3-year period ending on the date the compliance period ended. Include buildings financed by the Rural Housing Service and buildings financed with tax-exempt bonds.

**Lines 14b and 14c**

Take into account all the projects included on line 14a. See Regulations section 1.42-5(c)(2)(ii)(B) for details. Include buildings inspected by the Rural Housing Service under Regulations section 1.42-5(d)(3).

**Caution:** Regulations section 1.42-5(c)(2)(ii)(B) requires that at least once every 3 years the Agency (or the Rural Housing Service, if applicable) conduct on-site inspections of all buildings in each project and, for at least 20 percent of each project's low-income units, inspect the units and review the low-income certifications, the documentation supporting the certifications, and the rent records for the tenants in those units. If the number entered on line 14b or line 14c does not equal the number entered on line 14a, attach an explanation.

**Line 15a**

Only include projects for which the last building was placed in service in 2005. Include buildings financed by the Rural Housing Service and buildings financed with tax-exempt bonds.

**Lines 15b and 15c**

Take into account all the projects included on line 15a. See Regulations section 1.42-5(c)(2)(ii)(A) for details. Include buildings inspected by the Rural Housing Service under Regulations section 1.42-5(d)(3).

**Caution:** Regulations section 1.42-5(c)(2)(ii)(A) requires that, by the end of the 2nd calendar year following the year the last building in the project is placed in service, the Agency (or the Rural Housing Service, if applicable) conduct on-site inspections of all buildings in each project and, for at least 20 percent of each project's low-income units, inspect the units and review the low-income certifications, the documentation supporting the certifications, and the rent records for the tenants in those units. If the number entered on line 15b or line 15c does not equal the number entered on line 15a, attach an explanation.

**Line 16a**

Only include projects for which the last building was placed in service in 2006. Include buildings financed by the Rural Housing Service and buildings financed with tax-exempt bonds.

**Lines 16b and 16c**

Take into account all the projects included on line 16a. See Regulations section 1.42-5(c)(2)(ii)(A) for details. Include buildings inspected by the Rural Housing Service under Regulations section 1.42-5(d)(3).

**Paperwork Reduction Act Notice.** We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete and file the following forms will vary depending on individual circumstances. The estimated average times are:

	Form 8610	Sch. A (Form 8610)
<b>Recordkeeping</b>	9 hr., 34 min.	3 hr., 35 min.
<b>Learning about the law or the form</b>	1 hr., 59 min.	24 min.
<b>Preparing and sending the form to the IRS</b>	2 hr., 13 min.	28 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making these forms simpler, we would be happy to hear from you. You can write to the Internal Revenue Service, Tax Products Coordinating Committee, SE:W:CAR:MP:T:T:SP, 1111 Constitution Ave. NW, IR-6526, Washington, DC 20224. Do not send these forms to this address. Instead, see *Where To File* on page 2.