



Missouri Housing
Development Commission

Tax Credit Administration Overview

Presented by Margaret Murphy
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MHDC.com

Tax Credit Administration Team

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Role in LIHTC Applications

- Tax clearance
- Non-profit set aside

Tax Clearance

- Obtain tax clearance from Missouri Department of Revenue
- IRS form 8821 required for developers and key principals as part of LIHTC application
- Follow up on status with Missouri Department of Revenue

Non-Profit Set Aside

- Non profit designation
- Express purpose of fostering low income housing
- Materially participate
- Not affiliated or controlled by for profit

Non-Profit Set Aside

- MHDC NP Participation Questionnaire
 - Material participation in development or operation described
- Organizational Documents: Certificate of Incorporation, Articles of Incorporation, Bylaws, Certificate of Good Standing
 - Demonstrate 501c3 or 501c4
 - Mission related to affordable housing
- Board of Directors list
- Financial Statement – one year, within last two years

Minimum Set-Aside

- The project elects one of three set-aside preferences:
 - 20/50 Minimum Set-Aside
 - 40/60 Minimum Set-Aside
 - Average-Income Minimum Set-Aside
 - Income limits will be allowed to range from 30% to 80% AMGI.
 - The process & requirements for Average-Income election is different
 - MHDC updating web resources

After LIHTC Applications

- Conditional Reservation and Firm Commitment review
- Carryover and 4% Agreements
- Accelerated Credit Agreement
- 42(m) Letter
- 10% Test
- Cost Certification Review
- 8609 Issuance

Carryover and 4% Agreements

- All 9% projects receive a Federal Carryover Allocation Agreement
- All 4% projects receive a Federal Tax Credit Authorization Agreement (4% Agreements)
- If 9% project receives State LIHTC allocation, then project receives State Carryover Allocation Agreement
- If 4% project receives State LIHTC allocation, then project receives State Tax Credit Authorization Agreement
- Executed at firm commitment

Allocation Agreement Deadlines

- Federal Carryover Allocation Agreements must be completed by 12/31/2024
- State Allocation Agreements and State 4% Agreements must be completed by 6/30/2024

Developer Workshop

- Carryover and 4% Agreements
- Accelerated Credit Agreement
- 42(m) Letter
- 10% Test
- Cost Certifications

Contact Information

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