

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

**2005**

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

Name and address of housing credit agency

Employer identification number of agency

Check box if amended report . . .

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

1	Enter the number of attached Forms 8609 used to allocate credit in 2005 . . . . .	1	
2	Enter the number of attached Forms 8609 for credits allocated prior to 2005 and credits attributable under section 42(h)(4) to projects financed by tax-exempt bonds . . . . .	2	
3	Enter the number of attached Schedules A (Form 8610) reporting 2005 carryover allocations . . . . .	3	
4	<b>Total number of attached forms and schedules.</b> Add lines 1, 2, and 3 . . . . .	4	

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

5a	Enter the <b>greater</b> of (a) \$1.85 multiplied by the state's population or (b) \$2,125,000 . . . . .	5a	
b	Enter the amount of the credit ceiling returned in 2005 from allocations made prior to 2005 . . . . .	5b	
c	Enter the amount, if any, allocated to the state from the 2005 National Pool . . . . .	5c	
d	Add lines 5a through 5c . . . . .	5d	
e	Enter the unused state housing credit ceiling, if any, from the 2004 Form 8610, line 9 . . . . .	5e	
f	<b>Total state housing credit ceiling for 2005.</b> Add lines 5d and 5e . . . . .	5f	
6a	Enter the total dollar amount of credits from Forms 8609 used to allocate credit in 2005 . . . . .	6a	
b	Enter the total dollar amount of credits from Schedules A (Form 8610), line 5 . . . . .	6b	
c	<b>Total credits allocated during 2005.</b> Add lines 6a and 6b (cannot exceed line 5f) . . . . .	6c	
7	Enter the <b>smaller</b> of line 5e or line 6c . . . . .	7	
8	Subtract line 7 from line 6c . . . . .	8	
9	<b>State's unused housing credit ceiling carryover to 2006.</b> Subtract line 8 from line 5d . . . . .	9	
10	<b>Unused 2004 carryover assigned to 2006 National Pool.</b> Subtract line 7 from line 5e . . . . .	10	
11	Enter the total dollars allowed to projects financed by tax-exempt bonds (see instructions) . . . . .	11	
12	Enter the state credit ceiling allocated to qualified nonprofit organizations (see instructions) . . . . .	12	

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

- 13 Does the state's qualified allocation plan in effect for 2005 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
- 14 Has the housing credit agency, for 2005 (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
- 15 Has the housing credit agency, for 2005 (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
- |     |  |     |  |
|-----|--|-----|--|
| 16a | Number of projects subject to monitoring for which all buildings were placed in service before 2003 . . . . .  | 16a |  |
| b   | Number of projects on line 16a that have had on-site inspections of <b>all</b> buildings in the last 3 calendar years . . . . .  | 16b |  |
| c   | Number of projects on line 16a 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) . . . . . | 16c |  |
| 17a | Number of projects for which the last building was placed in service in 2003 . . . . .   | 17a |  |
| b   | Number of projects on line 17a for which <b>all</b> buildings have had on-site inspections . . . . .   | 17b |  |
| c   | Number of projects on line 17a 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) . . . . .                              | 17c |  |
| 18a | Number of projects for which the last building was placed in service in 2004 . . . . .   | 18a |  |
| b   | Number of projects on line 18a for which <b>all</b> buildings have had on-site inspections . . . . .   | 18b |  |
| c   | Number of projects on line 18a 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) . . . . .                              | 18c |  |

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 2005 is the greater of \$1.85 times the state's population or \$2,125,000.

### 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 \$2,125,000 or \$1.85 multiplied by the state's population,
2. The amount of state housing credit ceiling returned in 2005 from allocations made prior to 2005,
3. The amount, if any, allocated to the state from the National Pool, plus
4. The unused state housing credit ceiling, if any, for 2004.

See Regulations section 1.42-14 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 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.

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.

### When To File

File the 2005 Form 8610 with accompanying Forms 8609 (with only Part I completed) and Schedules A (Form 8610) by February 28, 2006.

## 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).
3. Listing of projects approved for carryover allocation relief.

### 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 2005 Form 8610 to amend the 2005 report, a 2004 Form 8610 to amend the 2004 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 2005. Do not include Forms 8609 issued to taxpayers that reflect credit allocations made prior to 2005 on section 42(h)(1)(E) or 42(h)(1)(F) carryover allocation documents.

### Line 2

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

- Credit allocations made prior to 2005 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

A state's population is determined according to section 146(j). See Notice 2005-16, 2005-8 I.R.B. 605, for applicable population figures.

### Line 5b

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

### Line 5c

Enter the "Amount Allocated," if any, for your state in Rev. Proc. 2005-36, 2005-28 I.R.B. 78.

### Line 5f

This is the state housing credit ceiling available for allocations during 2005.

**Caution:** *Not more than 90% of the amount on this line may 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 2005. Do not include the following.

- Credits allowed to tax-exempt bond financed projects under section 42(h)(4) which do not count against the total state housing ceiling authorized on line 5f. Report these amounts on line 11.
- 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.

### Line 11

Enter the total credit dollars allowed under section 42(h)(4) to projects financed by tax-exempt bonds.

### Line 12

Enter the total housing credit dollar amount allocated during 2005 from line 5f to qualified nonprofit organizations under section 42(h)(5).

## Part III

### Lines 16a, 17a, and 18a

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 16a**

For buildings whose compliance periods ended during the last 3 calendar years, complete lines 16b and 16c 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 16b and 16c**

Take into account all the projects included on line 16a. 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 16b or line 16c does not equal the number entered on line 16a, attach an explanation.*

**Line 17a**

Only include projects for which the last building was placed in service in 2003. Include buildings financed by the Rural Housing Service and buildings financed with tax-exempt bonds.

**Lines 17b and 17c**

Take into account all the projects included on line 17a. 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 17b or line 17c does not equal the number entered on line 17a, attach an explanation.*

**Line 18a**

Only include projects for which the last building was placed in service in 2004. Include buildings financed by the Rural Housing Service and buildings financed with tax-exempt bonds.

**Lines 18b and 18c**

Take into account all the projects included on line 18a. 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)
Recordkeeping	10 hr., 2 min.	2 hr., 52 min.
Learning about the law or the form	2 hr., 17 min.	24 min.
Preparing and sending the form to the IRS	2 hr., 32 min.	27 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-6406, Washington, DC 20224. Do not send these forms to this address. Instead, see *Where To File* on page 2.