



State of Nevada
 Department of Business & Industry
HOUSING DIVISION



1535 Old Hot Springs Road, Suite 50
 Carson City, Nevada 89706
 Tel.: (775) 687-2040 or (800) 227-4960 (within Nevada)
 Fax: (775) 687-4040

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PROGRAM BULLETIN

TO: LIHTC Project Sponsors and Management Companies

RE: Annual Resident Income Re-certification

Effective July 30, 2008 under H.R. 3221, the Project Sponsor of a 100% low income project is exempt from the annual income recertification requirements under IRS regulations 1.42-5(b)(1)(vi) and (vii) and 1.42-5(c)(1)(iii). Project Sponsors of 100% low income properties are still required by Nevada Housing Division (NHD) to perform a complete income re-certification upon the first anniversary of tenancy but need not be recertified thereafter.

Residents must continue to be income qualified upon initial residency and property files will still need to contain thorough third-party verification of income upon initial occupancy and the first anniversary recertification. After year two of tenancy Project sponsors are not required to:

- a) Keep records that show a full annual income re-certification for low-income tenants in the building who have previously had their initial and first-anniversary annual income verified, documented, and certified;
- b) Maintain third-party documentation to support that re-certification; or
- c) Certify to the Division that it has received this information.

In lieu of re-certification after year two of tenancy, Project Sponsors must ensure that each qualifying tenant annually complete the NHD Form - Alternate Certification (EXHIBIT NV-1c) or other designated form prescribed by the NHD. This form is available on NHD's web site at www.nvhousing.state.nv.us under the Low Income Housing Tax Credit Compliance tab and may be updated from time to time. The Alternate Certification must be dated and signed by the tenants(s) and the Project Sponsor's on-site representative, and the Project Sponsor must maintain a current Alternate Certification in each tenant file. The Division will review this documentation during the annual compliance reviews and may request annual reports from the Project Sponsor based upon the information collected.

Projects that have less than 100% low income units must still perform a complete annual income recertification.

NHD regulations concerning tenant annual income recertification may be updated from time to time with at least 15 days notice from NHD to comply with regulations or facilitate the reporting of data. Additionally, NHD reserves the right to require annual tenant income recertification at properties where gross negligence or non-compliance has been found.

Relaxation of tax credit annual tenant income recertification does not supersede requirement for income recertification under other federal programs such as HOME.

In addition, projects that currently have the recertification waiver are required to comply with the new procedures effective with new move ins as of July 30, 2008.