



PROGRAM BULLETIN

To: Owners and Managers of Low Income Housing Tax Credit (LIHTC) Properties

From: Michael DiChiaro, Assistant Director of Leased Housing and Rental Services / Asset Management & Compliance *Michael DiChiaro*

Date: July 24, 2020

Subject: LIHTC Compliance Monitoring Regulations

Bulletin # 2020-01

On July 1, 2020 The Internal Revenue Service published [Notice 2020-53](#), providing temporary relief from certain requirements under § 42 of the Internal Revenue Code for qualified low-income housing projects.

Rhode Island Housing is adopting much of the relief provided in the IRS notice and, effective immediately, is temporarily modifying its LIHTC monitoring policy through December 31, 2020. The following are relevant compliance related provisions contained in the IRS Notice and RIHousing's applicable temporary policy changes:

- INCOME RECERTIFICATIONS -

An Owner of a low-income building is not required to perform income recertifications for the period beginning on April 1, 2020 and ending on December 31, 2020. The Owner must resume the income recertifications as due after December 31, 2020 or as required by the Agency.

RIHousing will adopt the IRS guidance and will not require income recertifications, when a household's annual recertification date is between April 1 and December 31, 2020. Please note that this waiver is applicable to income recertifications only; student status certifications must be completed and all new move-ins will still require a full Tenant Income Certification.

- Important - This waiver is only applicable to Low Income Housing Tax Credit certifications and does not apply to income certifications that may be required for any other federal, state or local housing assistance programs.



- LIHTC COMPLIANCE MONITORING

While RIHousing is not required to conduct compliance monitoring inspections or file reviews in the period beginning on April 1, 2020 and ending on December 31, 2020, we have decided to continue compliance monitoring under a modified format.

- Until further notice, RIHousing will not conduct physical inspections of LIHTC developments or units for the purpose of routine compliance monitoring. We retain the right to inspect properties and units with proper notice in order to investigate resident complaints or physical needs.
- All LIHTC file audits will be performed remotely and files shall be delivered to your asset manager in a manner and format acceptable to RIHousing.
- The number of LIHTC files subject to review will be at the discretion of RIHousing and is likely to be less than the former IRS requirement of 20%.

- COMMON AREAS AND AMENITIES

RIHousing will require that all laundry and computer rooms remain open. If other amenities or common areas are temporarily unavailable or closed during some or all of the period from April 1, 2020 to December 31, 2020, in response to the COVID-19 pandemic, and not because of other noncompliance for § 42 purposes, this temporary closure will not result in a reduction of the eligible basis of the building.

Should you have any questions, kindly contact your assigned asset manager or one of RIHousing's Compliance Managers (Hope Lanphear hlanphear@rihousing.com and Lenore Coughlin lcoughlin@rihousing.com)