



## Housing Tax Credit Program Statement of Election of Gross Rent Floor (Bond-Financed Building)

IRS Revenue Procedure 94-57 allows the Owner/Taxpayer to fix the date of the gross rent floor to be either:

1. the Credit Allocation date, or
2. the Placed-In-Service date.

In past years, some county median incomes have decreased during the years between these dates, thereby reducing the maximum allowable rent.

For a bond-financed building, the IRS will treat the gross rent floor in section 42(g)(2)(A) as taking effect on the date an Agency initially issues a Determination Letter for the building.

However, if the Owner/Taxpayer designates it as such, the IRS will treat the gross rent floor as taking effect on the second option: a building's Placed-In-Service date. If this option is chosen, the Owner/Taxpayer must also inform the Agency that issued the Determination Letter no later than the Placed-In-Service date.

**Instructions:** Owners/Taxpayers of qualified Housing Tax Credit projects (bond-financed building) must complete this form to notify Minnesota Housing of the date the gross rent floor in section 42(g)(2)(A) of the Internal Revenue Code takes effect.

Minnesota Housing must receive this election form by the date the project is Placed-In-Service. If no election is made or if election form(s) are not received by that deadline, then the gross rent floor date will automatically be fixed by Minnesota Housing to be the date Minnesota Housing initially issued its Determination Letter.

Statement should be submitted via Box and Multifamily Customer Portal.

Questions may be directed to [tamara.wilson@state.mn.us](mailto:tamara.wilson@state.mn.us) or 1.800.657.3647/651.296.4451.



Housing Tax Credit Program
Statement of Election of Gross Rent Floor
(Bond-Financed Building)

The Minnesota Housing Finance Agency (Minnesota Housing), the housing credit agency for the State of Minnesota as defined in Section 42 of the Internal Revenue Code, has issued its Preliminary Determination Letter for housing credits for HTC # \_\_\_\_\_ - \_\_\_\_\_, named \_\_\_\_\_ (the Project) as referenced in the Housing Tax Credit Program Preliminary Determination Letter dated \_\_\_\_\_ (the Determination Letter). The Owner of the Project identified in the Determination Letter is \_\_\_\_\_ (the Owner/Taxpayer).

The Owner/Taxpayer hereby irrevocably elects, pursuant to IRS Revenue Procedure 94-57, to fix the gross rent floor for the building, which is part of the referenced Project, at the allowable rents on the Elected Date identified below. The Owner/Taxpayer acknowledges that this Election is binding upon the Owner/Taxpayer and all successors in interest to the Owner/Taxpayer.

The Owner/Taxpayer elects the gross rent floor for the building(s) described as:

Table with 2 columns: BIN (Building Identification Number) and Address. Each column contains seven horizontal lines for text entry.

(Attach separate sheet if more space is required.)

To be fixed as taking effect on the Elected Date of (check only one option):

- \_\_\_\_\_ The date Minnesota Housing initially issued the Determination Letter
\_\_\_\_\_ The Placed-In-Service date

Acknowledged, agreed, and accepted this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

Owner/Taxpayer: \_\_\_\_\_

By: \_\_\_\_\_
Signature

\_\_\_\_\_  
Type/Print Name and Title

STATE OF MINNESOTA )
) SS
COUNTY OF \_\_\_\_\_)

On this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_, \_\_\_\_\_, being first duly sworn and to me personally known, acknowledged that (s)he executed the above document for the purposes recited therein.

\_\_\_\_\_  
Notary Public, State of Minnesota
My Commission Expires: \_\_\_\_\_