

Housing Tax Credit Extensions During COVID-19

Thank you for your partnership and dedication to providing rental homes that are affordable to those that need it most during these uncertain times. Below is an update on Housing Tax Credit (HTC) extensions that can be requested by eligible projects.

Potential HTC Extensions Available under IRS Revenue Procedure 2014-49

Under Internal Revenue Service (IRS) [Revenue Procedures 2014-49](#), Minnesota Housing may approve extensions to certain federal HTC deadlines. An owner of an HTC development can request one of the following extensions from Minnesota Housing if the owner can demonstrate it cannot reasonably satisfy the existing federal HTC deadlines due to the current federally declared disaster.

- **10% Test:** Minnesota Housing will consider granting up to a 6-month extension to the IRS requirement to meet the 10% test for 9% projects within a year of allocation for 2019 HTC allocations. For projects that received a carryover allocation in December 2019, owners can request an extension up to 6 months. If you are considering requesting this extension, please consult your Carryover Agreement for any existing Minnesota Housing requirements and deadlines related to the 10% test and CPA certifications.
- **Placed in Service Deadline:** Minnesota Housing will consider granting up to a 12-month extension of the placed in service deadline for projects that received an allocation of 2018 HTCs. Extensions may be granted to no later than December 31, 2021.

If you intend to request an extension due to the COVID-19 Disaster Declaration, upload your HTC extension letter to the [Multifamily Customer Portal](#) in the Project Documents: Customer area under the “Extension Request” folder. Chatter @NicolaViana to notify us that it is there. Minnesota Housing will provide documentation of our final extension determination.

Please include the following information in your extension letter:

- Project name
- Item for which you are requesting an extension
- Project status
- Reason for extension
- New proposed timeline

HTC Relief Under Notice 2020-23

On April 10, 2020, the Internal Revenue Service published [Notice 2020-23](#) providing additional relief for taxpayers affected by COVID-19. The notice provides that taxpayers have until July 15, 2020, to perform specified time-sensitive actions due to be performed on or after April 1, 2020, and before July 15, 2020, which includes extensions to a number of HTC deadlines. Please consult with your tax credit counsel to determine the impact on your HTC development.

Owners should consult with lenders and investor partners before deciding whether to seek such HTC extensions.

If you have questions concerning this notice, please contact HTC.MHFA@state.mn.us.

Minnesota Housing and COVID-19

Minnesota Housing continues to monitor the situation with COVID-19 in Minnesota. Thank you for your patience as we work to respond as quickly as possible to your concerns. We will continue sharing information as quickly and as widely as possible. Visit our [COVID-19 webpage](#) for all Minnesota Housing updates.



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