

April 22, 2016

Subject: 2016 LIHTC Income/Rent Limits

Dear Tax Credit Owners and Agents:

HUD released the 2016 MTSP Income Limits on March 28, 2016. Points of interest for 2016 would be HUD's decision to change the Area Definition for several counties. They incorporated the latest OMB metropolitan area definitions. Approximately 30 of those changes in the country (not necessarily in Pennsylvania) had an effect on income limits. The other point is that more than 50% of the counties in the country saw decreases to the HUD published MTSP limits from 2015 to 2016. For new projects, this could mean a drop in limits for the project. Project owners may wish to consult their accountant for detailed information regarding a specific project.

The Agency has posted the 2016 MTSP Income/Rent Limits to our website. If your property is not placed-in-service, you will need to calculate the correct limit with the assistance of the appropriate chart. If, however, your property is placed-in-service, you can look to the Agency's Automated Web Entry System for the appropriate limits. Remember, limits are determined on a project/building basis and project charts can be obtained through the Web Entry System.

As in years past, we feel confident in the numbers provided by our system, but suggest you proof them. It is important to note that various parameters are taken into account in determining these limits; such as whether a building has elected to be treated as part of a multiple building project, and placed-in-service dates. Calculations are done using the data available in our files. If Agency files contain inaccurate or incomplete data, the limits provided could be inaccurate, as well.

If you do not agree with the numbers on the charts, please contact your Tax Credit Representative. You will be asked to provide the number in question and the parameter you feel has been set inaccurately. We will work with you to update the parameters within your account files.

Income/Rent Limits can be obtained using the Income Limit menu item in the Agency Web Entry System. Those persons appointed as the administrator of the owner web account must grant authorization to any other user.

NOTE: TIC entry transactions effective after 3/27/16 will need to be edited or revised by using the recalculate button and submitting the revised transaction. (Once the recalculate feature has been used, the correct limits will appear on the TIC).

If you have any questions regarding the income limits, please contact the appropriate contact person for your region.

Kathy Esworthy  
Manager of Tax Credit Compliance

\*\*\*\*\* REMINDER: Projects that use the Agency PennHOMES Income/Rent charts will have new charts issued at a later date.\*\*\*\*\*