

LEGAL UPDATES

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Service

Affordable Housing &
Community
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Professional

JONATHAN W. GIOKAS

ST. LOUIS:

314.480.1713

JONATHAN.GIOKAS@

HUSCHBLACKWELL.COM

MHDC Votes to Withhold Allocation of State Low-Income Housing Tax Credits

On November 17, 2017, the Missouri Housing Development Commission (MHDC) voted not to adopt the proposed 2018 Qualified Allocation Plan (QAP) and instead proposed a revised QAP that excludes the allocation of Missouri state Low-Income Housing Tax Credits (LIHTCs). Elimination of the state tax credits could have serious implications for the real estate, development and construction industries in Missouri.

The original proposed QAP, which had been the subject of a review and comment period, would have allocated both the Missouri state LIHTCs and Missouri's share of federal LIHTCs. The revised proposed QAP, which would allocate only Missouri's share of federal LIHTCs, excluding the allocation of any Missouri state LIHTCs, is now subject to a notice and comment period.

The Missouri state LIHTC program is the primary tool by which the State of Missouri incentivizes the construction of affordable housing. The potential elimination of state LIHTCs poses a substantial threat to the viability of numerous projects across the state and could have serious implications for the real estate, development and construction industries in Missouri.

What This Means to You

Those potentially affected by the exclusion of Missouri state LIHTCs are encouraged to provide input to the MHDC during the notice and comment period, or to directly contact individual MHDC commissioners. MHDC has not specified the beginning of the notice and comment period, but it is expected to begin after Thanksgiving. MHDC's next scheduled meeting is December 19, 2017.

Contact Us

For more information on how the proposed QAP may affect your organization, please contact Jonathan W. Giokas or another member of Husch Blackwell's Affordable Housing & Community Development team.