

August 21, 2008

On July 30, 2008, the President signed into law the **Housing and Economic Recovery Act of 2008, H.R. 3221**. Included within this law is a provision adding clarification to the fifth exception to student housing and how it applies to Housing Credit properties. Specific citations from H.R. 3221 regarding this clarification are provided below. **The effective date of this clarification is July 31, 2008, the day after enactment.**

The additional clarification, as described in H.R. 3221, applies to a student who was previously under the care and placement responsibility of a foster care program (under part B or E of title IV of the Social Security Act).

Tax credit households occupied completely by full-time students will continue to qualify for residency if (a) all of the students are entitled to file a joint federal income tax return, (b) the household consists of a single parent (with custody) and at least one school age child who is not the dependent of anyone other than the absent parent, (c) the household members receive assistance under the TANF Program, (d) the occupants are receiving assistance under the Job Training Partnership Act or similar governmental job-training programs, (e) or assistance is being received under Title IV of the Social Security Act (to include students who previously received assistance from the Foster Care Program).

If you have questions regarding this section of H.R. 3221 please contact your assigned Compliance Officer.

Sincerely,

Oregon Housing & Community Services
Program Analysis and Enforcement Section

Housing and Economic Recovery Act of 2008 (H. R. 3221)

DIVISION C—TAX-RELATED PROVISIONS

TITLE I—HOUSING TAX INCENTIVES

Subtitle A—Multi-Family Housing

PART I—LOW-INCOME HOUSING TAX CREDIT

Sec. 3004. Other simplification and reform of low-income housing tax incentives.

(e) CONTINUED ELIGIBILITY FOR STUDENTS WHO RECEIVED FOSTER CARE ASSISTANCE.—Clause (i) of section 42(i)(3)(D) is amended by striking “or” at the end of subclause (I), by redesignating subclause (II) as subclause (III), and by inserting after subclause (I) the following new subclause:

“(II) a student who was previously under the care and placement responsibility of the State agency responsible for administering a plan under part B or part E of title IV of the Social Security Act, or”.

(i) EFFECTIVE DATE.—

(4) CONTINUED ELIGIBILITY FOR STUDENTS WHO RECEIVED FOSTER CARE ASSISTANCE. — The amendments made by subsection (e) shall apply to **determinations made after the date of the enactment** of this Act.