



FAQ on 2020 Compliance Relief on LIHTC, Section 1602 and LIFT programs

[7/22/2020 Technical Advisory](#)

Note: OHCS recently completed an owner/agent survey regarding electronic file reviews and capacity; we appreciate all of those who participated and shared their feedback. We are currently evaluating the results and hope to provide additional guidance around compliance reviews during COVID-19 in the coming weeks.

1) What certifications have been waived?

A) All LIHTC and 1602 recertification's have been waived by the IRS and are not required to be completed for the time-period ranging from 4-1-2020 to 12-31-2020. OHCS has also deemed LIFT funding as eligible for this waiver.

2) Are Move-in certifications required?

A) Yes, Move-in/Initial certifications are required for all programs

3) Will the partner have to retroactively complete the recertification's that were not required?

A) No, the IRS has indicated that the relief is a waiver and not an extension

4) If the tenant had a first year certification waived in 2020, are we required to complete a first year certification in 2021 even though it would technically be the 2nd year?

A) No, the 2021 information collected should only be the information/documentation that was needed for 2021 before the waiver was applied.

5) What if we have certifications that were due but not complete for the time period before 4-1-2020?

A) Those certifications are not waived and must be completed.

6) What if we have recertifications due in January of 2021, can we still issue the household notice of recertification in 2020 as applicable?

A) Yes, 2021 certifications have not been waived and in order to get 2021 certifications completed on time, it will be necessary to give tenants the proper and required notification of recertification in 2020.



7) How should we document the file so that we do not have a finding issued for missing certifications during a future OHCS or investor inspection?

A) A written clarification by the Manager indicating the reason for the missing documentation or a copy of the OHCS notification of the waiver will be sufficient.

8) Can we continue to recertify tenants if our company has measures in place to complete the certifications safely?

A) Yes, that is an Owner/Management's policy decision.

9) Will OHCS need to inspect my property next year if the physical inspection and/or file audit compliance review was cancelled this year?

A) 2020 inspections will be scheduled between 2021 and 2023. OHCS recently completed an owner/agent survey regarding electronic file reviews and capacity; we appreciate all of those who participated and shared their feedback. We are currently evaluating the results and hope to provide additional guidance around compliance reviews during COVID-19 in the coming weeks.

10) If my property has HOME or RiskShare funding from OHCS, can the LIHTC waiver be applied to the whole property?

A) As of today, HUD/CPD has not issued notice allowing RiskShare or HOME funded unit compliance requirements to be waived. OHCS is continuously monitoring program guidance when published and will update owners/agents should this guidance change.

11) If I have funding from another PJ or funding source that allows me to use OHCS certifications for their funding requirements, will the other funder accept the LIHTC/1602/LIFT waiver?

A) OHCS cannot waive other funder requirements. It is strongly recommended that the owner/agent contact their PJ or other funding source for further guidance.

12) Have Elderly BOND compliance requirements been waived?

A) No, move-in certifications must be completed for all tenants and the required set-aside tenants must have a recertification completed.

13) Are we allowed to close the property community areas such as the leasing office, playground, gym, swimming pool etc.?

A) All community areas may be closed for COVID-19 health and safety concerns. The IRS has indicated that closed community areas from 4-1-2020 to 12-31-2020 will not pose a threat to eligible basis concerns. It is expected that Management Agents and Owners



will take all steps necessary to keep tenants and staff safe while operating the property. All steps should be taken to keep laundry services available to tenants as well as common area computers that can aid tenants in connecting to services they may need. This applies to all OHCS funding sources.

14) Are we allowed to hold units vacant during this time?

- A) No, all necessary steps should be taken to turn (make rent ready) and rent units timely as possible. The IRS has not waived this requirement and noncompliance is still reportable to the IRS via form 8823.

15) Are Student Status Certifications required for LIHTC, 1602, LIFT tenants if a recertification for the household was waived?

- A) The IRS has clarified that student status certifications are required and has not been waived.

16) How will year end reporting be impacted by the IRS waiver?

- A) Year-end reporting, which also includes HERA data reporting for 2020, has not been waived. OHCS will be sending out further guidance on this matter in the near future.

17) I have a mixed funded property (LIHTC/HOME), since LIHTC reviews are cancelled for the year will I still have a compliance and/or physical review?

- A) OHCS may still conduct compliance reviews on other programs in 2020, such as HOME, Riskshare, etc. The owner/agent will be notified accordingly and will be given the opportunity to have LIHTC/1602/LIFT included in the review, if applicable. Physical inspections will not be conducted until program regulations require the inspection and the State has lifted COVID-19 restrictions.

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