

CHAPTER 125**LOW-INCOME HOUSING CREDITS***S.F. 499*

AN ACT relating to the federal low-income housing credit allowance.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. Section 220.1, Code 1987, is amended by adding the following new subsections:
NEW SUBSECTION. 36. "State housing credit ceiling" means the state housing credit ceiling as defined in I.R.C. § 42(h)(3)(C).

NEW SUBSECTION. 37. "Low-income housing credit" means the low-income housing credit as defined in I.R.C. § 42(a).

Sec. 2. Section 220.1, unnumbered paragraph 2, Code 1987, is amended by striking the paragraph and inserting in lieu thereof the following:

The authority shall establish by rule further definitions applicable to this chapter, and clarification of the definitions in this section, as necessary to assure eligibility for funds available under federal housing laws, or to assure compliance with federal tax laws relating to the issuance of tax exempt mortgage subsidy bonds pursuant to I.R.C. § 103A, or relating to the issuance of tax exempt residential rental property bonds for qualified residential housing under I.R.C. § 103, or relating to the allowance of low-income credits under I.R.C. § 42.

Sec. 3. **NEW SECTION. 220.52 STATE HOUSING CREDIT CEILING ALLOCATION.**

1. The authority is designated the housing credit agency for the allowance of low-income housing credit under the state housing credit ceiling.

2. The authority shall adopt rules and allocation procedures which will ensure the maximum use of available tax credits in order to encourage development of low-income housing in the state. The authority shall consider the following factors in the adoption and application of the allocation rules:

- a. Timeliness of the application.
- b. Location of the proposed housing project.
- c. Relative need in the proposed area for low-income housing.
- d. Availability of low-income housing in the proposed area.
- e. Economic feasibility of the proposed project.
- f. Ability of the applicant to proceed to completion of the project in the calendar year for which the credit is sought.

The authority shall adopt rules specifying the application procedure and the allowance of low-income housing credits under the state housing credit ceiling.

3. The authority shall not allow more than ninety percent of the low-income housing credits under the state housing credit ceiling to projects other than qualified low-income housing projects as defined in I.R.C. § 42(h)(5)(B).

Approved May 13, 1987

CHAPTER 126**TAXES ON PROPERTY OF GOVERNMENTAL BODIES***S.F. 458*

AN ACT relating to the abatement of taxes by the county.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. **NEW SECTION. 445.63 ABATEMENT OF TAXES.**

When delinquent mobile home taxes, regular property taxes, or special assessments are owing against property owned or claimed by the state or a political subdivision of this state and the