

## 2011 High Housing Cost Area Calculations with respect to Mortgage Revenue Bonds

06.07.2011

The Internal Revenue Service today released Revenue Procedure 2011-37, which contains information for issuers of single-family housing bonds and mortgage credit certificates specifically with respect to high housing cost area calculations including a "hold harmless" provision.

Revenue Procedure 2011-37 provides for a median gross income figure for the United States of \$64,200 as released by HUD on May 31, 2011. Please note that in calculating 2011 income limits, Section 3 of Revenue Procedure 2011-37 allows an issuer to use either (i) the median gross income for the United States, the state and statistical areas within the state, as released by HUD on May 31, 2011 (collectively, the "FY 2011 Income Figures") or (ii) the median gross income for the United States, the state and statistical areas within the state, as released by HUD on May 14, 2010 (collectively, the "FY 2010 Income Figures"). In addition, if the issuer uses the FY 2011 Income Figures to calculate high housing cost areas then the issuer must use FY 2011 numbers for all purposes within the high housing cost area formula. Likewise, if the issuer uses the FY 2010 Income Figures to calculate high housing cost areas then the issuer must use FY 2010 numbers for all purposes within the high housing cost area formula.

### Practice

- Tax

### Industries

- Housing
- Single Family Housing