



Arizona  
Department  
of Housing

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## Arizona Department of Housing 2022 Information Bulletin

**REGARDING PROGRAMS: Rental Development**

**REGARDING FUNDING SOURCES: Low Income Housing Tax Credit (LIHTC)**

**INFORMATION BULLETIN No. 04-22**

**ISSUED: January 12, 2022**

**RE: IRS Notice 2022-05**

Yesterday the Arizona Department of Housing (ADOH) received Notice 2022-05 from the Department of the Treasury and the Internal Revenue Service. This Notice extends previous relief for the ten percent test for carryover allocations, the 24-month minimum rehabilitation period, the placed-in-service deadline, the reasonable period for restoration or replacement in the event of casualty loss, and agency correction periods. The notice also provides an extension to satisfy occupancy obligations. To view Notice 2022-05 please select the following link:

<https://www.irs.gov/pub/irs-drop/n-22-05.pdf>

ADOH would like to call attention to one section of Notice 2022-05 related to Placed-in-Service extensions. Per page, seven (7) of Notice 2022-05 the Placed in Service extensions are as follows:

*For purposes of § 42(h)(1)(E)(i), if the original deadline for a low-income building to be placed in service is the close of calendar year 2020, the new deadline is the close of calendar year 2022 (that is, December 31, 2022).*

- *If the original placed-in-service deadline is the close of calendar year 2021 and the original deadline for the 10-percent test in § 42(h)(1)(E)(ii) was before April 1, 2020, the new placed-in-service deadline is the close of calendar year 2022 (that is, December 31, 2022).*

- *If the original placed-in-service deadline is the close of calendar year 2021 and the original deadline for the 10-percent test in § 42(h)(1)(E)(ii) was on or after April 1, 2020, and on or before December 31, 2020, then the new placed-in-service deadline is the close of calendar year 2023 (that is, December 31, 2023).*

- *If the original placed-in-service deadline is the close of calendar year 2022 (and thus the original deadline for the 10-percent test was in 2021), then the new placed-in-service deadline is the close of calendar year 2023 (that is, December 31, 2023).*

ADOH will be issuing extensions for all eligible and interested projects. Interested parties must submit a written request to ADOH. Upon receipt, ADOH will draft a carryover agreement amendment, which will reflect the requested Notice 2022-05 extension allowances.

Please contact [sheree.bouchee@azhousing.gov](mailto:sheree.bouchee@azhousing.gov) if you have questions or need assistance.



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