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IRS Allows Multifamily Housing Bonds to Finance Projects with Group Preferences.

On April 3, 2019, the IRS published [Rev. Proc. 2019-17](#), which provides that multifamily housing projects (or, for those of you who prefer Grey Poupon, “qualified residential rental projects”) won’t violate the general public use requirement even if the landlord offers units of the project to certain specific groups. Congress had made this point clear for low-income housing tax credits (“LIHTC”), which are often used in connection with tax-exempt multifamily housing bonds. Multifamily housing bonds have their own, separate general public use requirement, and there wasn’t a similar provision allowing group preferences in those rules. This disconnect had stopped many of these deals cold. Rev. Proc. 2019-17 puts the two sets of rules in sync.

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By Alexis Baker on May 2, 2019

The Public Finance Tax Blog

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