July 15, 2011

DEPARTMENT OF TAXATION ANNOUNCEMENT NO. 2011-13

RE: Act 158, Session Laws of Hawaii 2011, Relating to Low-Income Housing


This Act allows taxpayers who own qualified low-income buildings who have been awarded a subaward under Section 1602 of the American Recovery and Reinvestment Act of 2009, Public Law 111-5, to be eligible for the low-income housing tax credit under Section 235-110.8, Hawaii Revised Statutes.

This Act also establishes a low-income housing tax credit loan under Chapter 201H. The Hawaii Housing Finance and Development Corporation may issue this no-interest loan to owners of low-income buildings who are eligible for the low-income housing tax credit under Section 235-110.8, Hawaii Revised Statutes. The loan is issued in lieu of the tax credit and any taxpayers who accept the low-income housing tax credit loan are ineligible to claim the low-income housing tax credit on the building for which they instead accepted the loan.

Act 158 takes effect July 1, 2011 and applies to any low-income housing buildings placed in service after December 31, 2011.

For more information on this Act, please contact the Technical Section at 808-587-1577 or email tax.technical.section@hawaii.gov.

FREDERICK D. PABLO
Director of Taxation