

# REQUEST FOR ELECTION TO USE THE INCOME METHOD OF VALUATION FOR LIHTC PROPERTIES

Pursuant to A.R.S. § 42-13603, the owner of a property qualified under the low-income housing tax credit program (LIHTC) may elect to have the valuation of their property determined by the income method. The owner must submit all required documentation to the County Assessor before September 1 of the year immediately preceding the year for which the property will be valued.

If the income valuation is elected by the taxpayer, the property must meet the following criteria:

- Property must be an Internal Revenue Code Section 42, LIHTC property, and the program must be administered by the Arizona Department of Housing pursuant to A.R.S. § 35-728.
- Owner received an allocation of the Federal Income Tax Credits under the LIHTC program.
- Land use restrictive covenant agreement is recorded and is in effect, or if not yet recorded, the property is subject to both income and rent restrictions.
- Restrictions apply to all units on the property except employee units, and property must be placed in service.
- There are no findings by federal, state, or tribal courts that the owner has breached or violated either:
  - The covenants recorded on the property.
  - The restrictions under the LIHTC program imposed on the property but not contained within an affirmative land use restrictive covenants agreement.

Pursuant to A.R.S. §§ 42-13603 and 42-13604, the required documentation for electing the statutory income method is as follows:

- The three most current annual audited financial statements required by the Arizona Department of Housing.
- If three annual audited financial statements are not available because the property is too new to the LIHTC program to have three years of audited data, the owner may submit the available audited financial statements and the pro forma income and expense data that was provided to the Arizona Department of Housing at the time the LIHTC application was submitted to the Arizona Department of Housing.
- Written documentation provided by owner or operator to the County Assessor confirming that the property has been placed in service as low-income multifamily residential property consistent with Section 42 of the Internal Revenue Code.
- Internal Revenue Service Form 8609, or an equivalent form designated by the Internal Revenue Code, signed by the Arizona Department of Housing or the Certificate of Occupancy and the recorded declaration of affirmative land use restrictive covenants agreement.

The election form and all required documentation will be reviewed by the Assessor for completeness and must be received by the Assessor before September 1 to be considered for the next valuation year.

Submit the election form and all required documentation to your County Assessor at:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Email: \_\_\_\_\_ Phone: \_\_\_\_\_

# REQUEST FOR ELECTION TO USE THE INCOME METHOD FOR VALUATION OF LIHTC PROPERTIES

Pursuant to A.R.S. § 42-13603

The owner of a property qualified under the low-income housing tax credit program (LIHTC) may elect to have the valuation of their property determined by the income method. The owner must submit all required documentation to the County Assessor before September 1 of the year immediately preceding the year for which the property will be valued.

**Return completed form and all required documentation to the Assessor of the county in which the property is located and retain copies for your records.**

Project Name: \_\_\_\_\_

Situs Address: \_\_\_\_\_

\_\_\_\_\_  
City, State, Zip Code

Parcel Number(s): \_\_\_\_\_, \_\_\_\_\_,  
\_\_\_\_\_, \_\_\_\_\_,  
\_\_\_\_\_, \_\_\_\_\_,  
\_\_\_\_\_, \_\_\_\_\_

Owner's Name: \_\_\_\_\_

Submitted by: \_\_\_\_\_ Date: \_\_\_\_\_

Owner

Attorney

Agent

If Agent, please attach Agency Authorization (Form 82130AA).

Submitter's Address: \_\_\_\_\_

\_\_\_\_\_  
City, State, Zip Code

Phone: \_\_\_\_\_ Email: \_\_\_\_\_

## FOR USE BY COUNTY ASSESSOR ONLY

Income and Expense data attached:    Yes        No

Internal Revenue Form 8609 or equivalent attached:    Yes        No

**OR**

Certificate of Occupancy and the recorded Land Use Restrictive Covenants agreement (LURA):    Yes        No