

The income limits in this booklet are effective for Mortgage Credit Certificates (MCC) issued on or after May 18, 2017.

Introduction

Due to federal tax regulations, mortgage loans closed on proceeds from a tax-exempt bond or Mortgage Credit Certificates that are issued after January 1, 1991, are subject to federal recapture tax when you sell your home. This booklet is provided to you so that when it's time to sell your home, you have the information you need to determine 1) whether the tax applies to you, and 2) the amount of the tax. *This information should be kept in a safe place with your other mortgage documents and important papers.*

The federal recapture tax may also apply if you dispose of your home in some other way. Any references in this notice to the "sale" of your home also includes other ways of disposing of your home. For instance, you may owe the recapture tax if you give your home to a relative.

Exceptions

No federal recapture tax is due if one of the following situations occur:

- You dispose of your home later than nine years after you close your mortgage loan;
- Your home is disposed of as a result of your death;
- You transfer your home either to your spouse or to your former spouse incident to divorce and you have no gain or loss included in your income under section 1041 of the Internal Revenue Code;
- You dispose of your home at a loss;
- Your modified adjusted gross income in the taxable year in which you sell your home is less than the Adjusted Qualifying Income for that year.

Maximum Recapture Tax

The maximum recapture tax that you may be required to pay as an addition to your federal income tax is calculated by multiplying your original loan amount by 6.25%. In other words:

$$\begin{array}{rcl}
 \$ \underline{\hspace{2cm}} & \times .0625 = & \$ \underline{\hspace{2cm}} \\
 \text{Your Original Loan Amount} & \text{times .0625 equals your} & \text{Maximum Federal Recapture Tax}
 \end{array}$$

This is your federally subsidized amount with respect to the loan. *This is the highest tax amount that you would ever be required to pay.*

Actual Recapture Tax

The actual federal recapture tax, if any, can only be determined when you sell your home. The amount of the federal recapture tax is based on the lesser of 1) 50% of the gain on sale of your home, regardless of whether you have to include that gain in your income for federal income tax purposes, or 2) the federal recapture amount determined by completing IRS Tax Form 8828.

Limitations and Special Rules on Recapture Tax

1. If you give away your home (other than to your spouse or ex-spouse incident to divorce), you must determine your Actual Recapture Tax as if you had sold your home for its fair market value.

2. If your home is destroyed by fire, storm, flood, or other casualty, there generally is no recapture tax if, within two years, you purchase additional property for use as your principal residence on the site of the home financed with your original subsidized mortgage loan.
3. In general, except as provided in future regulations, if two or more persons own a home and are jointly liable for the mortgage, the actual recapture tax is determined separately for them based on their interests in the home.
4. If you repay your loan in full during the nine year recapture period and you sell your home during this period, your holding period percentage may be reduced under the special rule in section 143(m)(4)(C)(ii) of the Internal Revenue Code.
5. Other special rules may apply in particular circumstances. You may wish to consult with a tax advisor or the local office of the Internal Revenue Service when you sell or otherwise dispose of your home to determine the amount, if any, of your actual federal recapture tax. See section 143(m) of the Internal Revenue Code.

How to Use this Table

1. Choose the HOLDING PERIOD column based on how many years since you bought your home. Year 1 begins on your closing date. For example, if you closed on your home on June 1, 2008, Year 1 is from June 1, 2008 through May 31, 2009. Year 2 is from June 1, 2009 through May 31, 2010, and so on.
2. Get the HOLDING PERIOD PERCENTAGE from your HOLDING PERIOD column.
3. Choose the FAMILY SIZE column based on the number of persons in your household at the time you sell your home.
4. Obtain the ADJUSTED QUALIFYING INCOME by reading across your county line to the correct HOLDING PERIOD column. If there are two lines of figures for your county, choose the target (T) or non-target (N) line for your county based on whether your home is in a target or non-target area.

Completing IRS Form 8828-Recapture of Federal Mortgage Subsidy

1. The type of federal subsidy used to fund your mortgage loan is 2b - Mortgage credit certificate.
2. The name of the bond or mortgage certificate issuer is Wisconsin Housing and Economic Development Authority.

Effective 05/18/17										
Holding Period	Year 1	Year 1	Year 2	Year 2	Year 3	Year 3	Year 4	Year 4	Year 5	Year 5
Holding Period Percent:	20%	20%	40%	40%	60%	60%	80%	80%	100%	100%
Family Size	1-2	3+	1-2	3+	1-2	3+	1-2	3+	1-2	3+
ADAMS	72,765	83,680	76,403	87,864	80,223	92,257	84,234	96,870	88,446	101,714
ASHLAND (T)	87,318	101,871	91,684	106,965	96,268	112,313	101,081	117,929	106,135	123,825
BARRON (T)	87,318	101,871	91,684	106,965	96,268	112,313	101,081	117,929	106,135	123,825
BAYFIELD (T)	87,318	101,871	91,684	106,965	96,268	112,313	101,081	117,929	106,135	123,825
BROWN (N)	73,395	84,404	77,065	88,624	80,918	93,055	84,964	97,708	89,212	102,593
BROWN (T)	88,074	102,753	92,478	107,891	97,102	113,286	101,957	118,950	107,055	124,898
BUFFALO	72,765	83,680	76,403	87,864	80,223	92,257	84,234	96,870	88,446	101,714
BURNETT (T)	87,318	101,871	91,684	106,965	96,268	112,313	101,081	117,929	106,135	123,825
CALUMET	78,435	90,200	82,357	94,710	86,475	99,446	90,799	104,418	95,339	109,639
CHIPPEWA	72,765	83,680	76,403	87,864	80,223	92,257	84,234	96,870	88,446	101,714
CLARK (T)	87,318	101,871	91,684	106,965	96,268	112,313	101,081	117,929	106,135	123,825
COLUMBIA	77,700	89,355	81,585	93,823	85,664	98,514	89,947	103,440	94,444	108,612
CRAWFORD (T)	87,318	101,871	91,684	106,965	96,268	112,313	101,081	117,929	106,135	123,825
DANE (N)	89,460	102,879	93,933	108,023	98,630	113,424	103,562	119,095	108,740	125,050
DANE (T)	107,352	125,244	112,720	131,506	118,356	138,081	124,274	144,985	130,488	152,234
DODGE	72,765	83,680	76,403	87,864	80,223	92,257	84,234	96,870	88,446	101,714
DOOR	72,765	83,680	76,403	87,864	80,223	92,257	84,234	96,870	88,446	101,714
DOUGLAS (N)	72,765	83,680	76,403	87,864	80,223	92,257	84,234	96,870	88,446	101,714
DOUGLAS (T)	87,318	101,871	91,684	106,965	96,268	112,313	101,081	117,929	106,135	123,825
DUNN (N)	72,765	83,680	76,403	87,864	80,223	92,257	84,234	96,870	88,446	101,714
EAU CLAIRE (N)	72,765	83,680	76,403	87,864	80,223	92,257	84,234	96,870	88,446	101,714
EAU CLAIRE (T)	87,318	101,871	91,684	106,965	96,268	112,313	101,081	117,929	106,135	123,825
FLORENCE	72,765	83,680	76,403	87,864	80,223	92,257	84,234	96,870	88,446	101,714
FOND DU LAC (N)	72,765	83,680	76,403	87,864	80,223	92,257	84,234	96,870	88,446	101,714
FOREST	72,765	83,680	76,403	87,864	80,223	92,257	84,234	96,870	88,446	101,714
GRANT	72,765	83,680	76,403	87,864	80,223	92,257	84,234	96,870	88,446	101,714
GREEN	73,815	84,887	77,506	89,131	81,381	93,588	85,450	98,267	89,723	103,180
GREEN LAKE	72,765	83,680	76,403	87,864	80,223	92,257	84,234	96,870	88,446	101,714
IOWA	75,495	86,819	79,270	91,160	83,234	95,718	87,396	100,504	91,766	105,529
IRON (T)	87,318	101,871	91,684	106,965	96,268	112,313	101,081	117,929	106,135	123,825
JACKSON (N)	87,318	101,871	91,684	106,965	96,268	112,313	101,081	117,929	106,135	123,825
JEFFERSON	73,815	84,887	77,506	89,131	81,381	93,588	85,450	98,267	89,723	103,180
JUNEAU (T)	87,318	101,871	91,684	106,965	96,268	112,313	101,081	117,929	106,135	123,825
KENOSHA (N)	82,110	94,427	86,216	99,148	90,527	104,105	95,053	109,310	99,806	114,776
KENOSHA (T)	87,822	102,459	92,213	107,582	96,824	112,961	101,665	118,609	106,748	124,539
KEWAUNEE	73,395	84,404	77,065	88,624	80,918	93,055	84,964	97,708	89,212	102,593
LA CROSSE (N)	75,600	86,940	79,380	91,287	83,349	95,851	87,516	100,644	91,892	105,676
LA CROSSE (T)	90,720	105,840	95,256	111,132	100,019	116,689	105,020	122,523	110,271	128,649
LAFAYETTE	72,765	83,680	76,403	87,864	80,223	92,257	84,234	96,870	88,446	101,714
LANGLADE	72,765	83,680	76,403	87,864	80,223	92,257	84,234	96,870	88,446	101,714
LINCOLN	72,765	83,680	76,403	87,864	80,223	92,257	84,234	96,870	88,446	101,714
MANITOWOC	72,765	83,680	76,403	87,864	80,223	92,257	84,234	96,870	88,446	101,714
MARATHON (N)	73,395	84,404	77,065	88,624	80,918	93,055	84,964	97,708	89,212	102,593
MARATHON (T)	88,074	102,753	92,478	107,891	97,102	113,286	101,957	118,950	107,055	124,898
MARINETTE (N)	87,318	101,871	91,684	106,965	96,268	112,313	101,081	117,929	106,135	123,825
MARQUETTE (N)	87,318	101,871	91,684	106,965	96,268	112,313	101,081	117,929	106,135	123,825
MENOMINEE (N)	72,765	83,680	76,403	87,864	80,223	92,257	84,234	96,870	88,446	101,714
MENOMINEE (T)	87,318	101,871	91,684	106,965	96,268	112,313	101,081	117,929	106,135	123,825
MILWAUKEE (N)	76,020	87,423	79,821	91,794	83,812	96,384	88,003	101,203	92,403	106,263
MILWAUKEE (T)	91,224	106,428	95,785	111,749	100,574	117,336	105,603	123,203	110,883	129,363
MONROE	72,765	83,680	76,403	87,864	80,223	92,257	84,234	96,870	88,446	101,714
ONONTO (N)	87,318	101,871	91,684	106,965	96,268	112,313	101,081	117,929	106,135	123,825
ONEIDA	72,765	83,680	76,403	87,864	80,223	92,257	84,234	96,870	88,446	101,714
OUTAGAMIE	78,435	90,200	82,357	94,710	86,475	99,446	90,799	104,418	95,339	109,639
OZAUKEE	76,020	87,423	79,821	91,794	83,812	96,384	88,003	101,203	92,403	106,263
PEPIN	72,765	83,680	76,403	87,864	80,223	92,257	84,234	96,870	88,446	101,714
PIERCE	94,920	109,158	99,666	114,616	104,649	120,347	109,881	126,364	115,375	132,682
POLK (N)	72,765	83,680	76,403	87,864	80,223	92,257	84,234	96,870	88,446	101,714
POLK (T)	87,318	101,871	91,684	106,965	96,268	112,313	101,081	117,929	106,135	123,825
PORTAGE	74,550	85,733	78,278	90,020	82,192	94,521	86,302	99,247	90,617	104,209
PRICE	72,765	83,680	76,403	87,864	80,223	92,257	84,234	96,870	88,446	101,714

Holding Period	Year 1	Year 1	Year 2	Year 2	Year 3	Year 3	Year 4	Year 4	Year 5	Year 5
Holding Period Percent:	20%	20%	40%	40%	60%	60%	80%	80%	100%	100%
Family Size	1-2	3+	1-2	3+	1-2	3+	1-2	3+	1-2	3+
RACINE (N)	72,765	83,680	76,403	87,864	80,223	92,257	84,234	96,870	88,446	101,714
RACINE (T)	87,318	101,871	91,684	106,965	96,268	112,313	101,081	117,929	106,135	123,825
RICHLAND	72,765	83,680	76,403	87,864	80,223	92,257	84,234	96,870	88,446	101,714
ROCK (N)	72,765	83,680	76,403	87,864	80,223	92,257	84,234	96,870	88,446	101,714
ROCK (T)	87,318	101,871	91,684	106,965	96,268	112,313	101,081	117,929	106,135	123,825
RUSK (N)	87,318	101,871	91,684	106,965	96,268	112,313	101,081	117,929	106,135	123,825
ST. CROIX	94,920	109,158	99,666	114,616	104,649	120,347	109,881	126,364	115,375	132,682
SAUK	72,765	83,680	76,403	87,864	80,223	92,257	84,234	96,870	88,446	101,714
SAWYER (T)	87,318	101,871	91,684	106,965	96,268	112,313	101,081	117,929	106,135	123,825
SHAWANO	72,765	83,680	76,403	87,864	80,223	92,257	84,234	96,870	88,446	101,714
SHEBOYGAN (N)	72,765	83,680	76,403	87,864	80,223	92,257	84,234	96,870	88,446	101,714
SHEBOYGAN (T)	87,318	101,871	91,684	106,965	96,268	112,313	101,081	117,929	106,135	123,825
TAYLOR	72,765	83,680	76,403	87,864	80,223	92,257	84,234	96,870	88,446	101,714
TREMPEALEAU (N)	87,318	101,871	91,684	106,965	96,268	112,313	101,081	117,929	106,135	123,825
VERNON (N)	72,765	83,680	76,403	87,864	80,223	92,257	84,234	96,870	88,446	101,714
VERNON (T)	87,318	101,871	91,684	106,965	96,268	112,313	101,081	117,929	106,135	123,825
VILAS	72,765	83,680	76,403	87,864	80,223	92,257	84,234	96,870	88,446	101,714
WALWORTH	74,025	85,129	77,726	89,385	81,612	93,854	85,693	98,547	89,978	103,474
WASHBURN	72,765	83,680	76,403	87,864	80,223	92,257	84,234	96,870	88,446	101,714
WASHINGTON	76,020	87,423	79,821	91,794	83,812	96,384	88,003	101,203	92,403	106,263
WAUKESHA (N)	76,020	87,423	79,821	91,794	83,812	96,384	88,003	101,203	92,403	106,263
WAUKESHA (T)	91,224	106,428	95,785	111,749	100,574	117,336	105,603	123,203	110,883	129,363
WAUPACA	72,765	83,680	76,403	87,864	80,223	92,257	84,234	96,870	88,446	101,714
WAUSHARA	72,765	83,680	76,403	87,864	80,223	92,257	84,234	96,870	88,446	101,714
WINNEBAGO (N)	72,765	83,680	76,403	87,864	80,223	92,257	84,234	96,870	88,446	101,714
WOOD	72,765	83,680	76,403	87,864	80,223	92,257	84,234	96,870	88,446	101,714

Effective 05/18/17								
Holding Period	Year 6	Year 6	Year 7	Year 7	Year 8	Year 8	Year 9	Year 9
Holding Period Percent	80%	80%	60%	60%	40%	40%	20%	20%
Family Size	1-2	3+	1-2	3+	1-2	3+	1-2	3+
ADAMS	92,868	106,800	97,511	112,140	102,387	117,747	107,506	123,634
ASHLAND (T)	111,442	130,016	117,014	136,517	122,865	143,343	129,008	150,510
BARRON (T)	111,442	130,016	117,014	136,517	122,865	143,343	129,008	150,510
BAYFIELD (T)	111,442	130,016	117,014	136,517	122,865	143,343	129,008	150,510
BROWN (N)	93,673	107,723	98,357	113,109	103,275	118,764	108,439	124,702
BROWN (T)	112,408	131,143	118,028	137,700	123,929	144,585	130,125	151,814
BUFFALO	92,868	106,800	97,511	112,140	102,387	117,747	107,506	123,634
BURNETT (T)	111,442	130,016	117,014	136,517	122,865	143,343	129,008	150,510
CALUMET	100,106	115,121	105,111	120,877	110,367	126,921	115,885	133,267
CHIPPEWA	92,868	106,800	97,511	112,140	102,387	117,747	107,506	123,634
CLARK (T)	111,442	130,016	117,014	136,517	122,865	143,343	129,008	150,510
COLUMBIA	99,166	114,043	104,124	119,745	109,330	125,732	114,797	132,019
CRAWFORD (T)	111,442	130,016	117,014	136,517	122,865	143,343	129,008	150,510
DANE (N)	114,177	131,303	119,886	137,868	125,880	144,761	132,174	151,999
DANE (T)	137,012	159,846	143,863	167,838	151,056	176,230	158,609	185,042
DODGE	92,868	106,800	97,511	112,140	102,387	117,747	107,506	123,634
DOOR	92,868	106,800	97,511	112,140	102,387	117,747	107,506	123,634
DOUGLAS (N)	92,868	106,800	97,511	112,140	102,387	117,747	107,506	123,634
DOUGLAS (T)	111,442	130,016	117,014	136,517	122,865	143,343	129,008	150,510
DUNN (N)	92,868	106,800	97,511	112,140	102,387	117,747	107,506	123,634
EAU CLAIRE (N)	92,868	106,800	97,511	112,140	102,387	117,747	107,506	123,634
EAU CLAIRE (T)	111,442	130,016	117,014	136,517	122,865	143,343	129,008	150,510
FLORENCE	92,868	106,800	97,511	112,140	102,387	117,747	107,506	123,634
FOND DU LAC (N)	92,868	106,800	97,511	112,140	102,387	117,747	107,506	123,634
FOREST	92,868	106,800	97,511	112,140	102,387	117,747	107,506	123,634
GRANT	92,868	106,800	97,511	112,140	102,387	117,747	107,506	123,634
GREEN	94,209	108,339	98,919	113,756	103,865	119,444	109,058	125,416
GREEN LAKE	92,868	106,800	97,511	112,140	102,387	117,747	107,506	123,634
IOWA	96,354	110,805	101,172	116,345	106,231	122,162	111,543	128,270
IRON (T)	111,442	130,016	117,014	136,517	122,865	143,343	129,008	150,510
JACKSON (N)	111,442	130,016	117,014	136,517	122,865	143,343	129,008	150,510
JEFFERSON	94,209	108,339	98,919	113,756	103,865	119,444	109,058	125,416
JUNEAU (T)	111,442	130,016	117,014	136,517	122,865	143,343	129,008	150,510
KENOSHA (N)	104,796	120,515	110,036	126,541	115,538	132,868	121,315	139,511
KENOSHA (T)	112,085	130,766	117,689	137,304	123,573	144,169	129,752	151,377
KEWAUNEE	93,673	107,723	98,357	113,109	103,275	118,764	108,439	124,702
LA CROSSE (N)	96,487	110,960	101,311	116,508	106,377	122,333	111,696	128,450
LA CROSSE (T)	115,785	135,081	121,574	141,835	127,653	148,927	134,036	156,373
LAFAYETTE	92,868	106,800	97,511	112,140	102,387	117,747	107,506	123,634
LANGLADE	92,868	106,800	97,511	112,140	102,387	117,747	107,506	123,634
LINCOLN	92,868	106,800	97,511	112,140	102,387	117,747	107,506	123,634
MANITOWOC	92,868	106,800	97,511	112,140	102,387	117,747	107,506	123,634
MARATHON (N)	93,673	107,723	98,357	113,109	103,275	118,764	108,439	124,702
MARATHON (T)	112,408	131,143	118,028	137,700	123,929	144,585	130,125	151,814
MARINETTE (N)	111,442	130,016	117,014	136,517	122,865	143,343	129,008	150,510
MARQUETTE (N)	111,442	130,016	117,014	136,517	122,865	143,343	129,008	150,510
MENOMINEE (N)	92,868	106,800	97,511	112,140	102,387	117,747	107,506	123,634
MENOMINEE (T)	111,442	130,016	117,014	136,517	122,865	143,343	129,008	150,510
MILWAUKEE (N)	97,023	111,576	101,874	117,155	106,968	123,013	112,316	129,164
MILWAUKEE (T)	116,427	135,831	122,248	142,623	128,360	149,754	134,778	157,242
MONROE	92,868	106,800	97,511	112,140	102,387	117,747	107,506	123,634
ONONTO (N)	111,442	130,016	117,014	136,517	122,865	143,343	129,008	150,510
ONEIDA	92,868	106,800	97,511	112,140	102,387	117,747	107,506	123,634
OUTAGAMIE	100,106	115,121	105,111	120,877	110,367	126,921	115,885	133,267
OZAUKEE	97,023	111,576	101,874	117,155	106,968	123,013	112,316	129,164
PEPIN	92,868	106,800	97,511	112,140	102,387	117,747	107,506	123,634
PIERCE	121,144	139,316	127,201	146,282	133,561	153,596	140,239	161,276
POLK (N)	92,868	106,800	97,511	112,140	102,387	117,747	107,506	123,634
POLK (T)	111,442	130,016	117,014	136,517	122,865	143,343	129,008	150,510
PORTAGE	95,148	109,419	99,905	114,890	104,900	120,635	110,145	126,667
PRICE	92,868	106,800	97,511	112,140	102,387	117,747	107,506	123,634

Holding Period	Year 6	Year 6	Year 7	Year 7	Year 8	Year 8	Year 9	Year 9
Holding Period Percent:	80%	80%	60%	60%	40%	40%	20%	20%
Family Size	1-2	3+	1-2	3+	1-2	3+	1-2	3+
RACINE (N)	92,868	106,800	97,511	112,140	102,387	117,747	107,506	123,634
RACINE (T)	111,442	130,016	117,014	136,517	122,865	143,343	129,008	150,510
RICHLAND	92,868	106,800	97,511	112,140	102,387	117,747	107,506	123,634
ROCK (N)	92,868	106,800	97,511	112,140	102,387	117,747	107,506	123,634
ROCK (T)	111,442	130,016	117,014	136,517	122,865	143,343	129,008	150,510
RUSK (N)	111,442	130,016	117,014	136,517	122,865	143,343	129,008	150,510
ST. CROIX	121,144	139,316	127,201	146,282	133,561	153,596	140,239	161,276
SAUK	92,868	106,800	97,511	112,140	102,387	117,747	107,506	123,634
SAWYER (T)	111,442	130,016	117,014	136,517	122,865	143,343	129,008	150,510
SHAWANO	92,868	106,800	97,511	112,140	102,387	117,747	107,506	123,634
SHEBOYGAN (N)	92,868	106,800	97,511	112,140	102,387	117,747	107,506	123,634
SHEBOYGAN (T)	111,442	130,016	117,014	136,517	122,865	143,343	129,008	150,510
TAYLOR	92,868	106,800	97,511	112,140	102,387	117,747	107,506	123,634
TREMPEALEAU (N)	111,442	130,016	117,014	136,517	122,865	143,343	129,008	150,510
VERNON (N)	92,868	106,800	97,511	112,140	102,387	117,747	107,506	123,634
VERNON (T)	111,442	130,016	117,014	136,517	122,865	143,343	129,008	150,510
VILAS	92,868	106,800	97,511	112,140	102,387	117,747	107,506	123,634
WALWORTH	94,477	108,648	99,201	114,080	104,161	119,784	109,369	125,773
WASHBURN	92,868	106,800	97,511	112,140	102,387	117,747	107,506	123,634
WASHINGTON	97,023	111,576	101,874	117,155	106,968	123,013	112,316	129,164
WAUKESHA (N)	97,023	111,576	101,874	117,155	106,968	123,013	112,316	129,164
WAUKESHA (T)	116,427	135,831	122,248	142,623	128,360	149,754	134,778	157,242
WAUPACA	92,868	106,800	97,511	112,140	102,387	117,747	107,506	123,634
WAUSHARA	92,868	106,800	97,511	112,140	102,387	117,747	107,506	123,634
WINNEBAGO (N)	92,868	106,800	97,511	112,140	102,387	117,747	107,506	123,634
WOOD	92,868	106,800	97,511	112,140	102,387	117,747	107,506	123,634