

## Form 001 - Initial Tax Credit Compliance Reporting

### New Projects, Initial Reports and Fees:

The ownership entity receives the IRS Form 8609 for each building in the project, with Part I completed and signed by WHEDA. Following issuance of the Form 8609 a "welcome letter" is sent to the owner indicating which reports are due and the amount of monitoring fees due.

Some of the compliance reporting that includes unit information and tenant data may be submitted by using our online reporting system known as Procorem. Information concerning the access and use of this system can be found on our website [www.wheda.com](http://www.wheda.com)

*The following reports and fees must be submitted **within 30 days of this letter**. A late fee of \$10.00 per unit will be assessed for each document that is not received by the due date.*

### **HTC Form 100, Owner's Certificate of Continuing Program Compliance**

As required by the IRS, an Owner's Certificate of Continuing Program Compliance must be **submitted initially and annually** to WHEDA. The Certification covering the period from the placed-in-service date through the preceding year is due with the first report due date for the project.

### **HTC Form 202**

Submit HTC Form 202. HTC Form 202 is used to set up the units of the tax credit project in Procorem. **\*\*This is a one-time submission that is required prior to submitting Unit Status Reports through Procorem. Unit Status Reports cannot be submitted through Procorem prior to WHEDA receiving the HTC Form 202.** HTC Form 202 has two tabs; the **Building Information** tab and the **Unit Information** tab. There are no edits required on the Building Information tab as WHEDA completes that tab. The Unit Information tab is where unit information will need to be entered in correlation to the specific Buildings on the Building Information tab. For example, if there are two buildings on the Building Information tab, units for Building 1 need to be entered under Building 1 Units on the Unit Information tab whereas units for Building 2 need to be entered under Building 2 Units on the Unit Information tab, etc. All cells in a row need to be completed and no blanks (Unit #, # BRs, Bathrooms, Net SF, Special Designation). Units are to be entered one after the other, in other words, no blank rows between completed rows.

### **Unit Status Reports (USR)**

An initial Unit Status Report must be submitted for each building in the project. All events for the project that occurred on or after the placed-in-service date are reportable. The initial report should include all events for all units within the project. This includes move-in or move-out information for all low-income and all market households, as well as re-certifications or adjustments for low-income households.

The Unit Status Report (USR) must be submitted electronically. (A number of companies offer software programs with the ability to produce electronic Unit Status Reports. If you would like more information, please contact a member of the tax credit monitoring staff.) Electronic submission of unit status report(s) will need to be **submitted on an annual basis** using Procorem. Instructions for using Procorem can be found on our website <https://www.wheda.com/developers-and-property-managers/forms-manuals-and-resources>.

### **HTC Form 205 E, Utility Allowance Period Election Form**

Submit HTC Form 205 E electing the 12-month effective period for the project. **\*\*This report is only due initially, unless there is a change in the effective month.**

**HTC Form 205 A & B, Utility Allowance**

Submit HTC Form 205 Parts A and B, "Utilities Information" along with documentation for the utility allowance(s) in place from the **placed-in-service date**. **\*\*Annual submission is also required - Submit HTC Form 205 Parts A and B, "Utilities Information" along with documentation for the utility allowance(s) 90 days prior to effective date for the properties that utilized the following calculation methods:**

- **Local Utility Company estimate**
- **HUD Schedule Model**
- **Energy Consumption Model**

**IRS Form 8609**

A copy of the first year Form 8609 filed with the IRS for each building – the form must be a copy of the signed and completed form filed with the IRS and must show the eligible basis and qualified basis of the building.

- If the owner has elected to defer the credit until the year following the placed-in-service date, WHEDA *must be notified in writing within 30 days of receiving the Welcome Letter packet*. Additionally, the owner must submit a copy of the filed 8609 no later than May 31<sup>st</sup> of the following year.
- If Line 8b of IRS Form 8609 is checked indicating the building is part of a multiple building project, a copy of the addendum identifying the buildings that are grouped into each “project” must also be attached, according to IRS instructions on Form 8609.

**Compliance Monitoring Fees**

As Wisconsin’s housing credit agency, WHEDA is required by law to conduct compliance monitoring on all projects that have been placed-in-service for which the Credit is or has been allowable at any time since the inception of the Program in 1987. Fees are charged to cover staff, technology, and other associated costs necessary to conduct compliance monitoring. ***Please see the enclosed invoice detailing the monitoring fees due at this time.***

**Automated Clearing House (ACH) Payment**

Payments will be drawn via ACH. If you have not submitted an ACH agreement, contact:

Diane Packard [diane.packard@wheda.com](mailto:diane.packard@wheda.com)

Tracy Hendrickson [tracy.hendrickson@wheda.com](mailto:tracy.hendrickson@wheda.com)

**Initial Compliance Fee**

The initial compliance fee for developments of 15 or fewer units is \$800. For developments with 16 or more units, the fee is \$55 per unit with a maximum of \$5,000.

**Annual Monitoring Fee**

Fees are charged annually on a per unit basis for all units within each project, including market rate and manager’s units. The Annual Monitoring Fees are due on or around March 15th of each year during the project's compliance period. Fees are charged based on the type of reporting medium used. WHEDA reserves the right to adjust fees on an annual basis.

## Unit Status Reports Submitted Electronically in WHEDA's Required XML Format

Financed by:	Per Unit Fee
Rural Development	\$30
WHEDA	\$30
All other	\$45

*\*Unit Status Reports received in paper form: an additional \$30 per unit fee will be assessed.*

**Late Fee**

Failure to comply with any monitoring requirement, including payment of fees, may result in one or more of the following actions: A late charge will be assessed for documentation or fees that are not received by the due date. Late fees will be charged as follows:

**Annual Monitoring Fee**

A late fee of \$10.00 per unit will be assessed for each document that is not received by the due date.

**Required Documentation or Reports**

- A late fee of \$10.00 per unit will be assessed for each document that is not received by the due date.
- Future allocations of Credit to the owner and affiliated entities may be jeopardized.
- Future participation in other WHEDA programs by the owner and affiliated entities may be jeopardized.
- Any legal enforcement available to WHEDA
- Notification to IRS

**ONGOING REPORTING REQUIREMENTS**

The following reports and fees must be submitted on the specified due dates for the remainder of the compliance period. *A late fee of \$10.00 per unit will be assessed for each document that is not received by the due date.* Please refer to the compliance manual for complete requirements.

**Reporting Schedule for All Property Types listed by Report Type**

Report or Fee	Due Date
Owner's Certificate of Continuing Compliance (HTC Form 100)	January 31
Unit Status Report (Procorem online reporting)	January 31
Annual Compliance Monitoring Fee	On or about March 15 <sup>th</sup> of each year
Copy of filed Form 8609 (see page 2)	May 31
Utility Allowance Form 205 Parts A & B, and all applicable documentation	Due 90 days prior to effective date

**Additional Reporting for Properties with TCAP Funding listed by Report Type**

Report or Fee	Due Date			
Audited Financials	Within 60 days after the end of each fiscal year			
Copy of IRS Form 1065			July 1st	
Copy of IRS Form 8586			July 1st	
Copy of IRS Form 8609			July 1st	
Copy of IRS Schedule A			July 1st	

Additional Report for Properties with **Exchange (1602) Funding** listed by Report Type

Report or Fee	Due Date			
Audited Financials	Within 60 days after the end of each fiscal year			
Copy of Federal Income Taxes			July 1st	
Copy of State Income Taxes			July 1st	

**WHEDA's tax credit Compliance Manual and forms are available on the Internet at [www.wheda.com](http://www.wheda.com)**

**For further information on Unit Status reporting requirements, refer to HTC Form 201, "Unit Status Report Instructions".**