

The income limits in this booklet are effective for Mortgage Credit Certificates (MCC) issued on or after May 13, 2019

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 05/13/19										
Holding Period	Year 1	Year 1	Year 2	Year 2	Year 3	Year 3	Year 4	Year 4	Year 5	Year 5
Holding Period Percentage	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	81,375	93,581	85,444	98,260	89,716	103,173	94,202	108,332	98,912	113,749
ASHLAND (T)	97,650	113,925	102,533	119,621	107,660	125,602	113,043	131,882	118,695	138,476
BARRON (T)	97,650	113,925	102,533	119,621	107,660	125,602	113,043	131,882	118,695	138,476
BAYFIELD (T)	97,650	113,925	102,533	119,621	107,660	125,602	113,043	131,882	118,695	138,476
BROWN (N)	85,890	98,774	90,185	103,713	94,694	108,899	99,429	114,344	104,400	120,061
BROWN (T)	103,068	120,246	108,221	126,258	113,632	132,571	119,314	139,200	125,280	146,160
BUFFALO	81,375	93,581	85,444	98,260	89,716	103,173	94,202	108,332	98,912	113,749
BURNETT (T)	97,650	113,925	102,533	119,621	107,660	125,602	113,043	131,882	118,695	138,476
CALUMET	87,990	101,189	92,390	106,248	97,010	111,560	101,861	117,138	106,954	122,995
CHIPPEWA	81,375	93,581	85,444	98,260	89,716	103,173	94,202	108,332	98,912	113,749
CLARK (T)	97,650	113,925	102,533	119,621	107,660	125,602	113,043	131,882	118,695	138,476
COLUMBIA	82,215	94,547	86,326	99,274	90,642	104,238	95,174	109,450	99,933	114,923
CRAWFORD (T)	97,650	113,925	102,533	119,621	107,660	125,602	113,043	131,882	118,695	138,476
DANE (N)	105,420	121,233	110,691	127,295	116,226	133,660	122,037	140,343	128,139	147,360
DANE (T)	126,504	147,588	132,829	154,967	139,470	162,715	146,444	170,851	153,766	179,394
DODGE	81,375	93,581	85,444	98,260	89,716	103,173	94,202	108,332	98,912	113,749
DOOR	81,375	93,581	85,444	98,260	89,716	103,173	94,202	108,332	98,912	113,749
DOUGLAS (N)	81,375	93,581	85,444	98,260	89,716	103,173	94,202	108,332	98,912	113,749
DOUGLAS (T)	97,650	113,925	102,533	119,621	107,660	125,602	113,043	131,882	118,695	138,476
DUNN (N)	81,375	93,581	85,444	98,260	89,716	103,173	94,202	108,332	98,912	113,749
EAU CLAIRE (N)	81,375	93,581	85,444	98,260	89,716	103,173	94,202	108,332	98,912	113,749
EAU CLAIRE (T)	97,650	113,925	102,533	119,621	107,660	125,602	113,043	131,882	118,695	138,476
FLORENCE	81,375	93,581	85,444	98,260	89,716	103,173	94,202	108,332	98,912	113,749
FOND DU LAC (N)	81,375	93,581	85,444	98,260	89,716	103,173	94,202	108,332	98,912	113,749
FOREST	81,375	93,581	85,444	98,260	89,716	103,173	94,202	108,332	98,912	113,749
GRANT	81,375	93,581	85,444	98,260	89,716	103,173	94,202	108,332	98,912	113,749
GREEN	81,375	93,581	85,444	98,260	89,716	103,173	94,202	108,332	98,912	113,749
GREEN LAKE	81,375	93,581	85,444	98,260	89,716	103,173	94,202	108,332	98,912	113,749
IOWA	81,375	93,581	85,444	98,260	89,716	103,173	94,202	108,332	98,912	113,749
IRON (T)	97,650	113,925	102,533	119,621	107,660	125,602	113,043	131,882	118,695	138,476
JACKSON (T)	97,650	113,925	102,533	119,621	107,660	125,602	113,043	131,882	118,695	138,476
JEFFERSON	81,375	93,581	85,444	98,260	89,716	103,173	94,202	108,332	98,912	113,749
JUNEAU (T)	97,650	113,925	102,533	119,621	107,660	125,602	113,043	131,882	118,695	138,476
KENOSHA (N)	85,680	98,532	89,964	103,459	94,462	108,632	99,185	114,064	104,144	119,767
KENOSHA (T)	102,816	119,952	107,957	125,950	113,355	132,248	119,023	138,860	124,974	145,803
KEWAUNEE	85,890	98,774	90,185	103,713	94,694	108,899	99,429	114,344	104,400	120,061
LA CROSSE (N)	82,530	94,910	86,657	99,656	90,990	104,639	95,540	109,871	100,317	115,365
LA CROSSE (T)	99,036	115,542	103,988	121,319	109,187	127,385	114,646	133,754	120,378	140,442
LAFAYETTE	81,375	93,581	85,444	98,260	89,716	103,173	94,202	108,332	98,912	113,749
LANGLADE	81,375	93,581	85,444	98,260	89,716	103,173	94,202	108,332	98,912	113,749
LINCOLN	81,375	93,581	85,444	98,260	89,716	103,173	94,202	108,332	98,912	113,749
MANITOWOC	81,375	93,581	85,444	98,260	89,716	103,173	94,202	108,332	98,912	113,749
MARATHON (N)	81,375	93,581	85,444	98,260	89,716	103,173	94,202	108,332	98,912	113,749
MARATHON (T)	97,650	113,925	102,533	119,621	107,660	125,602	113,043	131,882	118,695	138,476
MARINETTE (T)	97,650	113,925	102,533	119,621	107,660	125,602	113,043	131,882	118,695	138,476
MARQUETTE (T)	97,650	113,925	102,533	119,621	107,660	125,602	113,043	131,882	118,695	138,476
MENOMINEE (N)	81,375	93,581	85,444	98,260	89,716	103,173	94,202	108,332	98,912	113,749
MENOMINEE (T)	97,650	113,925	102,533	119,621	107,660	125,602	113,043	131,882	118,695	138,476
MILWAUKEE (N)	86,415	99,377	90,736	104,346	95,273	109,563	100,037	115,041	105,039	120,793
MILWAUKEE (T)	103,698	120,981	108,883	127,030	114,327	133,382	120,043	140,051	126,045	147,054
MONROE	81,375	93,581	85,444	98,260	89,716	103,173	94,202	108,332	98,912	113,749

Holding Period	Year 1	Year 1	Year 2	Year 2	Year 3	Year 3	Year 4	Year 4	Year 5	Year 5
Holding Period Percentage	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+
OCONTO (N)	97,650	113,925	102,533	119,621	107,660	125,602	113,043	131,882	118,695	138,476
ONEIDA	81,375	93,581	85,444	98,260	89,716	103,173	94,202	108,332	98,912	113,749
OUTAGAMIE	87,990	101,189	92,390	106,248	97,010	111,560	101,861	117,138	106,954	122,995
OZAUKEE	86,415	99,377	90,736	104,346	95,273	109,563	100,037	115,041	105,039	120,793
PEPIN	81,375	93,581	85,444	98,260	89,716	103,173	94,202	108,332	98,912	113,749
PIERCE	105,000	120,750	110,250	126,788	115,763	133,127	121,551	139,783	127,629	146,772
POLK (N)	81,375	93,581	85,444	98,260	89,716	103,173	94,202	108,332	98,912	113,749
POLK (T)	97,650	113,925	102,533	119,621	107,660	125,602	113,043	131,882	118,695	138,476
PORTAGE	81,375	93,581	85,444	98,260	89,716	103,173	94,202	108,332	98,912	113,749
PRICE	81,375	93,581	85,444	98,260	89,716	103,173	94,202	108,332	98,912	113,749
RACINE (N)	81,375	93,581	85,444	98,260	89,716	103,173	94,202	108,332	98,912	113,749
RACINE (T)	97,650	113,925	102,533	119,621	107,660	125,602	113,043	131,882	118,695	138,476
RICHLAND	81,375	93,581	85,444	98,260	89,716	103,173	94,202	108,332	98,912	113,749
ROCK (N)	81,375	93,581	85,444	98,260	89,716	103,173	94,202	108,332	98,912	113,749
ROCK (T)	97,650	113,925	102,533	119,621	107,660	125,602	113,043	131,882	118,695	138,476
RUSK (N)	97,650	113,925	102,533	119,621	107,660	125,602	113,043	131,882	118,695	138,476
ST. CROIX	105,000	120,750	110,250	126,788	115,763	133,127	121,551	139,783	127,629	146,772
SAUK	81,375	93,581	85,444	98,260	89,716	103,173	94,202	108,332	98,912	113,749
SAWYER (T)	97,650	113,925	102,533	119,621	107,660	125,602	113,043	131,882	118,695	138,476
SHAWANO	81,375	93,581	85,444	98,260	89,716	103,173	94,202	108,332	98,912	113,749
SHEBOYGAN (N)	81,375	93,581	85,444	98,260	89,716	103,173	94,202	108,332	98,912	113,749
SHEBOYGAN (T)	97,650	113,925	102,533	119,621	107,660	125,602	113,043	131,882	118,695	138,476
TAYLOR	81,375	93,581	85,444	98,260	89,716	103,173	94,202	108,332	98,912	113,749
TREMPEALEAU (N)	97,650	113,925	102,533	119,621	107,660	125,602	113,043	131,882	118,695	138,476
VERNON (N)	81,375	93,581	85,444	98,260	89,716	103,173	94,202	108,332	98,912	113,749
VERNON (T)	97,650	113,925	102,533	119,621	107,660	125,602	113,043	131,882	118,695	138,476
VILAS	81,375	93,581	85,444	98,260	89,716	103,173	94,202	108,332	98,912	113,749
WALWORTH	82,215	94,547	86,326	99,274	90,642	104,238	95,174	109,450	99,933	114,923
WASHBURN	81375	93581	85444	98260	89716	103173	94202	108332	98912	113749
WASHINGTON	86415	99377	90736	104346	95273	109563	100037	115041	105039	120793
WAUKESHA (N)	86415	99377	90736	104346	95273	109563	100037	115041	105039	120793
WAUKESHA (T)	103698	120981	108883	127030	114327	133382	120043	140051	126045	147054
WAUPACA	81375	93581	85444	98260	89716	103173	94202	108332	98912	113749
WAUSHARA	81375	93581	85444	98260	89716	103173	94202	108332	98912	113749
WINNEBAGO (N)	82110	94427	86216	99148	90527	104105	95053	109310	99806	114776
WOOD	81375	93581	85444	98260	89716	103173	94202	108332	98912	113749

Effective 05/13/19								
Holding Period	Year 6	Year 6	Year 7	Year 7	Year 8	Year 8	Year 9	Year 9
Holding Period Percentage	80%	80%	60%	60%	40%	40%	20%	20%
Family Size	1-2	3+	1-2	3+	1-2	3+	1-2	3+
ADAMS	103,858	119,436	109,051	125,408	114,504	131,678	120,229	138,262
ASHLAND (T)	124,630	145,400	130,862	152,670	137,405	160,304	144,275	168,319
BARRON (T)	124,630	145,400	130,862	152,670	137,405	160,304	144,275	168,319
BAYFIELD (T)	124,630	145,400	130,862	152,670	137,405	160,304	144,275	168,319
BROWN (N)	109,620	126,064	115,101	132,367	120,856	138,985	126,899	145,934
BROWN (T)	131,544	153,468	138,121	161,141	145,027	169,198	152,278	177,658
BUFFALO	103,858	119,436	109,051	125,408	114,504	131,678	120,229	138,262
BURNETT (T)	124,630	145,400	130,862	152,670	137,405	160,304	144,275	168,319
CALUMET	112,302	129,145	117,917	135,602	123,813	142,382	130,004	149,501
CHIPPEWA	103,858	119,436	109,051	125,408	114,504	131,678	120,229	138,262
CLARK (T)	124,630	145,400	130,862	152,670	137,405	160,304	144,275	168,319
COLUMBIA	104,930	120,669	110,177	126,702	115,686	133,037	121,470	139,689
CRAWFORD (T)	124,630	145,400	130,862	152,670	137,405	160,304	144,275	168,319
DANE (N)	134,546	154,728	141,273	162,464	148,337	170,587	155,754	179,116
DANE (T)	161,454	188,364	169,527	197,782	178,003	207,671	186,903	218,055
DODGE	103,858	119,436	109,051	125,408	114,504	131,678	120,229	138,262
DOOR	103,858	119,436	109,051	125,408	114,504	131,678	120,229	138,262
DOUGLAS (N)	103,858	119,436	109,051	125,408	114,504	131,678	120,229	138,262
DOUGLAS (T)	124,630	145,400	130,862	152,670	137,405	160,304	144,275	168,319
DUNN (N)	103,858	119,436	109,051	125,408	114,504	131,678	120,229	138,262
EAU CLAIRE (N)	103,858	119,436	109,051	125,408	114,504	131,678	120,229	138,262
EAU CLAIRE (T)	124,630	145,400	130,862	152,670	137,405	160,304	144,275	168,319
FLORENCE	103,858	119,436	109,051	125,408	114,504	131,678	120,229	138,262
FOND DU LAC (N)	103,858	119,436	109,051	125,408	114,504	131,678	120,229	138,262
FOREST	103,858	119,436	109,051	125,408	114,504	131,678	120,229	138,262
GRANT	103,858	119,436	109,051	125,408	114,504	131,678	120,229	138,262
GREEN	103,858	119,436	109,051	125,408	114,504	131,678	120,229	138,262
GREEN LAKE	103,858	119,436	109,051	125,408	114,504	131,678	120,229	138,262
IOWA	103,858	119,436	109,051	125,408	114,504	131,678	120,229	138,262
IRON (T)	124,630	145,400	130,862	152,670	137,405	160,304	144,275	168,319
JACKSON (T)	124,630	145,400	130,862	152,670	137,405	160,304	144,275	168,319
JEFFERSON	103,858	119,436	109,051	125,408	114,504	131,678	120,229	138,262
JUNEAU (T)	124,630	145,400	130,862	152,670	137,405	160,304	144,275	168,319
KENOSHA (N)	109,351	125,755	114,819	132,043	120,560	138,645	126,588	145,577
KENOSHA (T)	131,223	153,093	137,784	160,748	144,673	168,785	151,907	177,224
KEWAUNEE	109,620	126,064	115,101	132,367	120,856	138,985	126,899	145,934
LA CROSSE (N)	105,333	121,133	110,600	127,190	116,130	133,550	121,937	140,228
LA CROSSE (T)	126,397	147,464	132,717	154,837	139,353	162,579	146,321	170,708
LAFAYETTE	103,858	119,436	109,051	125,408	114,504	131,678	120,229	138,262
LANGLADE	103,858	119,436	109,051	125,408	114,504	131,678	120,229	138,262
LINCOLN	103,858	119,436	109,051	125,408	114,504	131,678	120,229	138,262
MANITOWOC	103,858	119,436	109,051	125,408	114,504	131,678	120,229	138,262
MARATHON (N)	103,858	119,436	109,051	125,408	114,504	131,678	120,229	138,262
MARATHON (T)	124,630	145,400	130,862	152,670	137,405	160,304	144,275	168,319
MARINETTE (T)	124,630	145,400	130,862	152,670	137,405	160,304	144,275	168,319
MARQUETTE (T)	124,630	145,400	130,862	152,670	137,405	160,304	144,275	168,319
MENOMINEE (N)	103,858	119,436	109,051	125,408	114,504	131,678	120,229	138,262
MENOMINEE (T)	124,630	145,400	130,862	152,670	137,405	160,304	144,275	168,319
MILWAUKEE (N)	110,291	126,833	115,806	133,175	121,596	139,834	127,676	146,826
MILWAUKEE (T)	132,347	154,407	138,964	162,127	145,912	170,233	153,208	178,745
MONROE	103,858	119,436	109,051	125,408	114,504	131,678	120,229	138,262

Holding Period	Year 6	Year 6	Year 7	Year 7	Year 8	Year 8	Year 9	Year 9
Holding Period Percentage	80%	80%	60%	60%	40%	40%	20%	20%
Family Size	1-2	3+	1-2	3+	1-2	3+	1-2	3+
OCONTO (N)	124,630	145,400	130,862	152,670	137,405	160,304	144,275	168,319
ONEIDA	103,858	119,436	109,051	125,408	114,504	131,678	120,229	138,262
OUTAGAMIE	112,302	129,145	117,917	135,602	123,813	142,382	130,004	149,501
OZAUKEE	110,291	126,833	115,806	133,175	121,596	139,834	127,676	146,826
PEPIN	103,858	119,436	109,051	125,408	114,504	131,678	120,229	138,262
PIERCE	134,010	154,111	140,711	161,817	147,747	169,908	155,134	178,403
POLK (N)	103,858	119,436	109,051	125,408	114,504	131,678	120,229	138,262
POLK (T)	124,630	145,400	130,862	152,670	137,405	160,304	144,275	168,319
PORTAGE	103,858	119,436	109,051	125,408	114,504	131,678	120,229	138,262
PRICE	103,858	119,436	109,051	125,408	114,504	131,678	120,229	138,262
RACINE (N)	103,858	119,436	109,051	125,408	114,504	131,678	120,229	138,262
RACINE (T)	124,630	145,400	130,862	152,670	137,405	160,304	144,275	168,319
RICHLAND	103,858	119,436	109,051	125,408	114,504	131,678	120,229	138,262
ROCK (N)	103,858	119,436	109,051	125,408	114,504	131,678	120,229	138,262
ROCK (T)	124,630	145,400	130,862	152,670	137,405	160,304	144,275	168,319
RUSK (N)	124,630	145,400	130,862	152,670	137,405	160,304	144,275	168,319
ST. CROIX	134,010	154,111	140,711	161,817	147,747	169,908	155,134	178,403
SAUK	103,858	119,436	109,051	125,408	114,504	131,678	120,229	138,262
SAWYER (T)	124,630	145,400	130,862	152,670	137,405	160,304	144,275	168,319
SHAWANO	103,858	119,436	109,051	125,408	114,504	131,678	120,229	138,262
SHEBOYGAN (N)	103,858	119,436	109,051	125,408	114,504	131,678	120,229	138,262
SHEBOYGAN (T)	124,630	145,400	130,862	152,670	137,405	160,304	144,275	168,319
TAYLOR	103,858	119,436	109,051	125,408	114,504	131,678	120,229	138,262
TREMPEALEAU (N)	124,630	145,400	130,862	152,670	137,405	160,304	144,275	168,319
VERNON (N)	103,858	119,436	109,051	125,408	114,504	131,678	120,229	138,262
VERNON (T)	124,630	145,400	130,862	152,670	137,405	160,304	144,275	168,319
VILAS	103,858	119,436	109,051	125,408	114,504	131,678	120,229	138,262
WALWORTH	104,930	120,669	110,177	126,702	115,686	133,037	121,470	139,689
WASHBURN	103,858	119,436	109,051	125,408	114,504	131,678	120,229	138,262
WASHINGTON	110,291	126,833	115,806	133,175	121,596	139,834	127,676	146,826
WAUKESHA (N)	110,291	126,833	115,806	133,175	121,596	139,834	127,676	146,826
WAUKESHA (T)	132,347	154,407	138,964	162,127	145,912	170,233	153,208	178,745
WAUPACA	103,858	119,436	109,051	125,408	114,504	131,678	120,229	138,262
WAUSHARA	103,858	119,436	109,051	125,408	114,504	131,678	120,229	138,262
WINNEBAGO (N)	104,796	120,515	110,036	126,541	115,538	132,868	121,315	139,511
WOOD	103,858	119,436	109,051	125,408	114,504	131,678	120,229	138,262