

2025 LIHTC 4% ROUND QUESTIONS AND ANSWERS

QAP Section	Question	IFA Answer
1.2 – Private Activity Bond Cap	Do you know how much available volume cap there is going to be in the coming 4% round?	It is mentioned in the QAP section 1.2, \$80 million. The cap is 2026 cap so the awarded projects must close in the calendar year of 2026.
1.3 – Developer Cap	Are developers able to get multiple awards in the 4% round in Iowa?	Please see 1.3 of the QAP. Our expectation is one award per developer.
2.1 – Tax Credit Reservation and Bond Inducement Resolution Schedule	There are 2 deadlines listed in the QAP for bond volume, 1 in July and 1 in August. How will that ranking work? Is it possible that all volume is awarded in the July round or is the volume being split into 2 rounds to ensure that in August there will be volume available?	There is no ranking given in relation to receiving bond inducement resolution. Tax Credit Applications will be awarded based on scoring in regards to the applications that are due 9/17/25. Note that you must have an approved bond inducement resolution prior to applying for 4% tax credits. Bond cap is allocated after the Tax Credit Awards have been made.
2.4 – Application Submittal	If we're planning to submit an application for bond volume next month, we'd be following the 2025 QAP not the 2026 QAP, yes?	That is correct, the 2025 Second Amended 4% QAP.
2.6 Complete Application	For 4% projects, would Redevelopment Tax Credits need to be awarded before the project could be awarded 4% Tax Credits?	Redevelopment Tax Credits do not need to be awarded prior to 4% Tax Credit Application. For the 4% application to be considered complete, Applicants would need to provide a Developer or GP loan to cover the potential receipt of a Redevelopment award.

3.2 Qualified Development Team		
A – Qualifying Entity	If an entity has been awarded Tax Credit Projects in states other than Iowa, are they considered a Qualifying Entity?	The QAP does not require that completed Projects issued an IRS Form 8609 be in Iowa. The QAP does require that a Qualifying Entity have completed least one Tax Credit Project with an issued IRS Form 8609 and meet all other requirements listed in 3.2.A. A Qualifying Entity may still be subject to the requirements under 3.2.C as a new entity to Iowa.
A – Qualifying Entity	Section 3.2.A.1 says that the Developer or an affiliate shall have been listed in "an awarded Tax Credit application...". Does this mean a tax credit application specifically in the state of Iowa? Or does any state satisfy this requirement?	As this sentence does not specify that the awarded Tax Credit application must be in Iowa, it means in any state.
A – Qualifying Entity	Section 3.2.A.2 says that GP/MM or an affiliate thereof with at least 50% ownership of the GP/MM of the Ownership Entity of the Project shall have been listed in "an awarded Tax Credit application...". Does this mean a tax credit application specifically in the state of Iowa? Or does any state satisfy this requirement?	As this sentence does not specify that the awarded Tax Credit application must be in Iowa, it means in any state.
A – Qualifying Entity	If a Developer or a GP/MM does not satisfy the requirements in 3.2.A, they can still potentially receive an award in 2025, based on the table shown in 3.2.C?	All Applications must include a Qualifying Entity as defined in 3.2.A.

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C – New Developer and General Partner/Managing Member to Iowa	Section 3.2.C refers to "Tax Credit Award" in multiple places; in one of those places, it states "Tax Credit Award in Iowa", and in other places it states "Tax Credit Award". In the places where it states "Tax Credit Award" (without the qualifier "in Iowa"), does this mean "Tax Credit Award in any state"?	Eligibility is based upon the chart in 3.2.C for entities new to the State of Iowa.
E – Management Company	Section 3.2.E mentions that the management company shall have "at least 3 Tax Credit Properties". Is the requirement that these properties must be located in Iowa?	No, the requirement is not that the Tax Credit Properties are located in Iowa.
5 – Scoring	For Scattered Site Projects, is scoring all-or-nothing endeavor, or if 2 of 3 sites were to qualify for points in a category, would the points be averaged?	Scattered Site points are not averaged. All sites in a Scattered Site Projects must qualify for the points selected to be eligible.
5.1 – Readiness to Proceed	If a Project has more than one Project Type, how will IFA score the Project under Readiness to Proceed?	All Applicants may achieve the maximum 40 points under Readiness to Proceed by selecting from the categories listed in 5.1 of QAP unless the QAP specifically precludes it. Projects may not receive points under the same category twice. However, all buildings in a Project must qualify to be eligible for points under 5.1.B.2 if points are selected for that category.
5.2 – Location	If a Scattered Site Project has buildings that all qualify for points but in different amounts within the Location section, how will IFA award points?	All building addresses in a Project, including Scattered Site Projects, shall meet the Location scoring requirements to be eligible for points. IFA will award the lesser points within each scoring category based on building locations.

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5.3 – Tax Credit Experience	Section 5.3 refers to "Tax Credit Projects". Does this mean tax credit projects in Iowa, or does this mean tax credit projects in any state?	This means Tax Credit Projects in any state, as it does not specify Tax Credit Projects in Iowa.
Appendices/Exhibits	Question	IFA Answer
Appendices – General	Are the Appendices that go with this new QAP published somewhere? If so, are they draft or final?	The 2025 Appendices Package has been published along with the final QAP and is available on the website.

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