theCredential

Update on Emerging LIHTC Issues

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Welcome to the recent edition of The Credential newsletter. Our intent is to provide HCCPs with a brief update on the latest upcoming news and potential changes in the LIHTC industry. Keep in mind that the majority of HCCPs work with multi-funded projects, so we will also touch on some non-LIHTC changes that will may affect your day-to-day work.

- SSA Announces the 2026 COLA: On October 24th the Social Security Administration announced that the Social Security and Supplemental Security Income monthly payments will increase by 2.8%. The increase, known as the cost-of-living adjustment (COLA) will become effective beginning with payments received in January 2026. For more information about what is included in the release please click here. For more information about how this could affect your income calculations our friends at Costello Compliance have provided some helpful information to consider that can be viewed here.
- NSPIRE is here: The NSPIRE final rule for several HUD programs became effective on October 1, 2025. If you have projects layered with HUD funding and your housing finance agency has yet to implement NSPIRE requirements, please take the time to read more about this new inspection protocol and any updates to the implementation deadline here.

From my desk: Whenever I'm asked to contribute to this publication, I make it a priority to share factual, concise information while also highlighting resources that help readers stay informed about industry changes affecting the day-to-day management of their properties. However, as I write this article, I would be remiss not to acknowledge the elephant in the room.

At the time of writing, we are on day 30 of the federal government shutdown. Many federal programs have faced workforce reductions, furloughs, and even the elimination of key positions. Beyond our housing programs, other federal initiatives have also experienced funding delays—disruptions that directly impact the individuals and families living in our low-income housing communities. For these families, the challenge of stretching limited income to cover housing, food, and medical needs becomes overwhelming when benefits or income sources are reduced—or worse, halted entirely. Additionally, countless federal employees are currently without pay, with some still required to report to work.

Since the duration of this shutdown remains uncertain, I encourage all of us to think about how we can support affected families in our communities. Small actions can make a difference—such as reaching out to local governments and nonprofit organizations to identify available resources that help families keep food on the table, cover rent, or simply keep the lights on. Let’s also lean on our colleagues and industry leaders. Our network of HCCP professionals is full of experienced, resourceful individuals who have weathered difficult times before. It’s also important to remember that our LIHTC Housing Finance Agencies continue to operate and are available to provide support and guidance. Sometimes, the best solutions start with a simple exchange of ideas among like-minded professionals.

While we have faced challenges in the past, this situation feels particularly difficult—one that could leave lasting impacts on our communities and our industry. The future may be uncertain, but one thing remains clear: we are all in this field because we care deeply about helping those in need. I am overly optimistic that by the time this reaches publication the government shutdown has ended, federal benefits have resumed, funds are hitting bank accounts again and we can all move on to happier things.

Keep your heads up, my fellow HCCP colleagues. With teamwork, compassion, and determination, we will weather this storm together.