



Understanding IRS Form 8609

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Throughout 2026 we will be doing a 4-part series into the IRS Form 8609. Regardless of your experience in Affordable Housing, the 8609 has valuable information that will help you ensure compliance. Each article will conclude with some questions to apply your knowledge. In this article, we will give an overview of the form as well as more closely examine the Placed In-Service date.

IRS Form 8609, *Low-Income Housing Credit Allocation and Certification*, is the document that officially establishes a building's eligibility to claim Low-Income Housing Tax Credits (LIHTC). Issued by the housing finance agency, the form records key elections made by the owner which drive ongoing compliance requirements. A form is issued for each Building Identification Number (BIN), and for each allocation of credit. If a property has 10 BINs and received both Acquisition and Rehabilitation credits, 20 Form 8609's would be issued. Because the information on Form 8609 governs how a property must operate throughout the compliance and extended use periods, understanding and retaining accurate 8609s is critical for owners, managers, and compliance teams.

Understanding a property's Placed in Service (PIS) date is critical when working with LIHTC properties, as it impacts several key compliance requirements including which income limits apply. Each year, typically around April, HUD releases updated income limits that determine household eligibility. Knowing a property's PIS date ensures the correct income limits are used, particularly when limits decrease. Future articles will continue to build on how the PIS date affects other areas of LIHTC compliance.



The PIS date is reported on Line 5 of IRS Form 8609 and varies based on the type of development:

- **New Construction:** The PIS date is the Certificate of Occupancy date, including temporary Certificates of Occupancy if issued. This date is especially important because it affects the timing of credit delivery.
- **Acquisition:** The PIS date is the date the owner acquires the existing building, whether occupied or vacant. This date is typically found on the property's closing statement.



- **Rehabilitation:** The PIS date is determined by when the building meets the required rehabilitation expenditure threshold within a 24-month period.

The Housing and Economic Recovery Act (HERA) of 2008 allows LIHTC properties that use HUD’s Multifamily Tax Subsidy Project (MTSP) income limits to apply a “hold harmless” provision. This means that once a property is placed in service, its applicable income and rent limits will not decrease from year to year, even if the area median income later declines. In practice, a property may continue using the income and rent limits in effect at the time they were established, rather than lowering them to match newly published, reduced limits.

Champaign-Urbana, IL HUD Metro FMR Area	
Vintage of Maximum Income Limits	
Placed In Service Date	Maximum Income Limits
On or before 12/31/2008	FY2025 HERA Special
01/01/2009 to 05/13/2010	FY2024
05/14/2010 to 05/31/2011	FY2024
06/01/2011 to 11/30/2011	FY2024
12/01/2011 to 12/10/2012	FY2024
12/11/2012 to 12/17/2013	FY2024
12/18/2013 to 03/05/2015	FY2024
03/06/2015 to 03/27/2016	FY2024
03/28/2016 to 04/13/2017	FY2024
04/14/2017 to 03/31/2018	FY2024
04/01/2018 to 04/23/2019	FY2024
04/24/2019 to 03/31/2020	FY2024
04/01/2020 to 03/31/2021	FY2024
04/01/2021 to 04/17/2022	FY2024
04/18/2022 to 05/14/2023	FY2024
05/15/2023 to 03/31/2024	FY2024
04/01/2024 to 03/31/2025	FY2024
04/01/2025 to Present	FY2025

Each year when HUD publishes the MTSP limits, it includes a chart reflecting, based on the placed in-service date, what limits should be used. From this chart we can see that the income limits decreased with the 2025 limit release. As a result, properties placed in service before 4/1/2025 would remain using the higher income limits from Fiscal Year (FY) 2024. Whereas a property placed in service on or after 4/1/2025 would only be eligible to use FY 2025 Income limits. This impacts not only rents that can be charged, but income limits used for qualifying households, both of which could have large ramifications if incorrect limits are used. Though this article will not go in depth about income limits, the placed in-service date is a key factor in ensuring properties are always using both the correct, and the most advantageous limits available.

Now let’s practice determining the income limits that can be used based on the placed in-service date.

Using the below chart of income limits and the placed in-service date, please enter in what FY income limits can be used.

Placed in Service Date	Maximum Income Limit
4/18/2022 to 5/14/2023	FY 2022
5/15/2023 to 3/31/2024	FY 2024
4/1/2024 to 3/31/2025	FY 2024
4/1/2025 to Present	FY 2025



1. A property placed in service 12/ 17/2022 will utilize which income limits:

2. A property placed in service 7/12/2023 will utilize which income limits:

3. A property placed in service 10/1/2025 will utilize which income limits:

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