



# TCAP Question and Answer: General TCAP Questions

---

The following questions and answers are intended to assist TCAP grantees to understand and comply with various TCAP requirements. These questions and answers are not a substitute for reading and understanding the Recovery Act, TCAP grant agreement provisions, or other regulatory requirements.

**1. Will projects which have been awarded tax credits designated as Gulf Opportunity Zone or Midwestern Disaster Area Housing Credits be eligible to receive TCAP funds?**

**Answer:** If the only source of credits for a project is the Gulf Opportunity Zone (GO Zone) or Midwestern Disaster Area Housing Credits (Midwest), it is not an eligible TCAP project because these credits were not awarded under Section 42(h) of the IRC.

However, a project that has been awarded GO Zone or Midwest credits can be eligible for the TCAP program, if the project has also been awarded LIHTCs allocated under Section 42 (h) - "standard" LIHTC credits. State agencies can allocate 2009 "standard" LIHTC credits until September 30, 2009 to projects which have already received an award of 'GO Zone' or Midwest Housing Credits, thus making the project eligible for TCAP funding. A state housing credit allocating agency could provide a nominal amount of 42(h) credits, concurrent with the award of a TCAP grant, to a project which already has been awarded 'GO Zone' or Midwest Housing Credits.

**2. Are projects that have bond financing and so-called 4 or 9 percent credits eligible for TCAP funding?**

**Answer:** All projects which receive an allocation of LIHTCs under Section 42 of the IRC between October 1, 2006 and September 30, 2009 are eligible to receive TCAP funding if they meet all of the selection criteria established by the TCAP grantee and can meet the statutory deadlines for expenditures established by the Recovery Act.

If you have additional questions after reviewing the applicable laws, regulations and guidance provided in this Question and Answer, please send an email to the TCAP mailbox at [TCAP@hud.gov](mailto:TCAP@hud.gov).