The Consolidated Appropriations Act of 2018 established income averaging as a third minimum set-aside election for housing credit developments. Income averaging allows tax credit qualified units to serve households earning as much as eighty percent (80%) of the area median income, as long as the average income/rent limit in the development is sixty percent (60%) or less of the area median income.

At this time, Authority staff is reviewing guidance provided and participating in webinars regarding the implementation of income averaging in its tax credit program. However, until such time as the Authority sets a policy, modifies documents and forms, and provides compliance monitoring training on income averaging, the Authority will not allow developments already submitted for funding consideration or under construction or starting rehabilitation to be eligible for the income averaging election. If the Authority determines that income averaging will be an eligible election in its tax credit program, policies and specific guidelines for income averaging will be included in the 2019-2020 Qualified Allocation Plan (QAP) and Tax Credit Compliance Manual.