

**Request for Waiver of Annual Income Recertification Requirement for the Low-Income Housing Credit**

OMB No. 1545-1882

► See instructions on back.

Note: To be used only for 100% low-income buildings.

**Part I Certification (Note: The building owner must also complete Part II on page 3.)**

Name of building or project	Name of building owner
Street address of building or project	Street address of building owner
City, state, and ZIP code	City, state, and ZIP code
Building identification number (BIN)	Taxpayer identification number

As the building owner, I certify that:

- I am applying for the annual income recertification waiver provided for in section 42(g)(8)(B);
- Each building listed on this form, and in any attached statement, is a 100% low-income building (see **Who May File** on page 2 for the meaning of 100% low-income building); and
- I have read and understand the **Effects of Obtaining a Waiver** in the instructions on page 2.

Under penalties of perjury, I declare that the foregoing statements and information are true, correct, and complete to the best of my knowledge and belief.

Signature of building owner	Title	Date
Type or print name	Telephone number	

**Additional BINs** (continue in same format on an attached statement if necessary)


**Attestation and Exemption by Housing Credit Agency**

As an authorized official of the housing credit agency named below, I certify that:

- The agency is responsible for the monitoring of each building to which this waiver request applies;
- Each building listed on this form, and in any attached statement, was a 100% low-income building at the end of the most recent credit year for the building; and
- The agency exempts the building owner from annual income recertifications as provided in Rev. Proc. 2004-38, effective on the date of IRS approval of the waiver.

Under penalties of perjury, I declare that the foregoing statements and information are true, correct, and complete to the best of my knowledge and belief.

Name of housing credit agency	Signature of authorized official
Date	Name (please type or print)

**IRS APPROVAL—IRS Use Only**

Signature of authorized official	Title	Effective date of waiver
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# General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

## Purpose of Form

Owners of certain low-income housing buildings use Form 8877 to request the annual income recertification waiver provided for in section 42(g)(8)(B). See Rev. Proc. 2004-38, 2004-27 I.R.B., for more information on obtaining the waiver. You can find Rev. Proc. 2004-38 at [www.irs.gov/pub/irs-irbs/irb04-27.pdf](http://www.irs.gov/pub/irs-irbs/irb04-27.pdf).

## Who May File

The owner of a 100% low-income building may request the waiver. A 100% low-income building is a building entirely occupied by low-income tenants, who are individuals occupying a rent-restricted unit in a qualified low-income housing project whose combined income satisfies the section 42(g)(1) income limitation elected by the owner.

## How To File

Owners must complete and sign Part I, Certification, and have the housing credit agency responsible for monitoring the building(s) (compliance monitoring agency) sign that part. The owner must also complete, sign Part II, Consent of Disclosure to Monitoring Agency, and send the completed Form 8877 to the Internal Revenue Service (IRS). The IRS will not consider an owner's request unless both Parts I and II of Form 8877 are properly completed.

## Where To File

File Form 8877 with:

Internal Revenue Service  
P.O. Box 331  
Attn: LIHC Unit, DP 607 South  
Philadelphia Campus  
Bensalem, PA 19020

## Determination

The IRS will notify the owner by mail that the request for waiver has been approved or denied. If the request is approved, the IRS will mail the owner a copy of the approved Form 8877. The waiver takes effect on the date that the IRS approves the waiver.

**Note:** *Keep a copy of the approved Form 8877 for the building's records. It must remain a part of the building's records regardless of any ownership transfer.*

## Effects of Obtaining a Waiver

The following apply to a building on which a waiver is in effect.

**1. Records.** While a waiver is in effect, the owner is exempt from the recertification requirements of Regulations sections 1.42-5(b)(1)(iv) and (vii) and 1.42-5(c)(1)(iii) for each building to which the waiver applies. Thus, the owner is not required to keep records that show an annual income recertification for all the low-income tenants in the building who have previously had their annual income verified, documented, and certified; maintain documentation to support that recertification; or certify to the compliance monitoring agency that it has received this information. Having a waiver in effect, however, does not relieve the owner of having to produce documentation in support of the requirements of section 42, including keeping records and documentation that show each tenant's annual income upon the tenant's initial occupancy of any unit in the building and, except for the exempted recertification requirements, satisfying the compliance monitoring procedure adopted by the compliance monitoring agency.

**2. Effective Period of Waiver.** The waiver takes effect on the date the IRS approves the waiver. It remains in effect until the end of the 15-year compliance period (defined in section 42(i)(1)), unless the waiver is revoked, in which case it ceases to be in effect on the date of revocation.

**3. Revocation.** The IRS may revoke the waiver if the building ceases to be a 100% low-income building or if the IRS determines that the owner has violated section 42 in a manner that is sufficiently serious to warrant revocation.

The IRS will revoke the waiver if the compliance monitoring agency requests its revocation. To request revocation of a waiver, the compliance monitoring agency must send a letter to the IRS requesting that the waiver be revoked. The request must include the

following information: (1) the name and address of the compliance monitoring agency; (2) the name and telephone number of the agency official familiar with the facts of the request whom the IRS may contact; (3) the name, address, and building identification number(s) of the building(s) or project; (4) the name, address, and taxpayer identification number of the building owner; and (5) a statement explaining why the waiver should be revoked. The request should be sent to the address for filing Form 8877 and a copy of the request must be provided to the building owner. The compliance monitoring agency and building owner will be notified by mail when the IRS revokes the waiver.

A change in the ownership of the building for federal tax purposes (including a change resulting from the termination of a partnership under section 708) will cause the waiver to be revoked automatically as of the change in ownership. The new owner may apply for a waiver. In the case of such an automatic revocation, the building owner that received the waiver must notify the IRS of the revocation no later than 60 days after the automatic revocation occurs. The notification should be sent to the address for filing Form 8877 and include the following information: (1) the name, address and building identification number(s) of the building(s) or project; (2) the name, address and taxpayer identification number of the building owner; (3) the date of the automatic revocation; and (4) an explanation of the event that caused the automatic revocation. After receiving the notification of an automatic revocation, the IRS will notify the compliance monitoring agency.

**4. Consent of Disclosure.** In applying for the waiver, the owner must consent to disclosure by the IRS to the compliance monitoring agency of any revocation of the waiver. This consent of disclosure is effective beginning on the date the waiver takes effect and ending on the date that the compliance period of the building(s) ends, unless the waiver is revoked, in which case the consent ends immediately following the disclosure by the IRS of the revocation to the compliance monitoring agency.

## Privacy Act and Paperwork Reduction Act Notice

We ask for the information on this form to carry out the Internal Revenue laws of the United States. We need it to ensure you are complying with these laws and to allow us to figure and collect the right amount of tax. Sections 6001, 6011 and 6012(a) require you to provide the requested information for purposes of requesting the waiver of the annual income recertification under section 42(g)(8)(B). Section 6109 requires you to provide your social security number or other identifying number. Routine uses of this information include disclosing it to the Department of Justice for civil and criminal litigation and to other federal agencies, as provided by law. We may disclose the information to cities, states, the District of Columbia, and U.S. Commonwealths or possessions to administer their tax laws. We may also disclose this information to other countries under a tax treaty, or to federal and state agencies to enforce federal nontax criminal laws and to combat terrorism. The authority to disclose information to combat terrorism expired on December 31, 2003. Legislation is pending that would reinstate this authority. If you do not file this information, or provide incomplete or fraudulent information, you may not obtain the relief requested and may be subject to interest, penalties, and/or criminal prosecution.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is:

- Recordkeeping** . . . . . 5 hr., 15 min.
- Learning about the law or the form** . . . . . 1 hr., 17 min.
- Preparing, copying, assembling, and sending the form to the IRS** . . . . . 1 hr., 25 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. You can write to the Tax Products Coordinating Committee, Western Area Distribution Center, Rancho Cordova, CA 95743-0001. Do not send Form 8877 to this address. Instead, see *Where To File* on this page.

