

## Section 42.—Low-Income Housing Credit

**Low-income housing credit; satisfactory bond; “bond factor” amounts for the period January through September 2005.** This ruling provides the monthly bond factor amounts to be used by taxpayers who dispose of qualified low-income buildings or interests therein during the period January through September 2005.

### Rev. Rul. 2005-44

In Rev. Rul. 90-60, 1990-2 C.B. 3, the Internal Revenue Service provided

guidance to taxpayers concerning the general methodology used by the Treasury Department in computing the bond factor amounts used in calculating the amount of bond considered satisfactory by the Secretary under § 42(j)(6) of the Internal Revenue Code. It further announced that the Secretary would publish in the Internal Revenue Bulletin a table of bond factor amounts for dispositions occurring during each calendar month.

Rev. Proc. 99-11, 1999-1 C.B. 275, established a collateral program as an alternative to providing a surety bond for taxpayers to avoid or defer recapture of the low-income housing tax credits under

§ 42(j)(6). Under this program, taxpayers may establish a Treasury Direct Account and pledge certain United States Treasury securities to the Internal Revenue Service as security.

This revenue ruling provides in Table 1 the bond factor amounts for calculating the amount of bond considered satisfactory under § 42(j)(6) or the amount of United States Treasury securities to pledge in a Treasury Direct Account under Rev. Proc. 99-11 for dispositions of qualified low-income buildings or interests therein during the period January through September 2005.

Table 1  
Rev. Rul. 2005-44  
Monthly Bond Factor Amounts for Dispositions Expressed  
As a Percentage of Total Credits

|                         | Calendar Year Building Placed in Service<br>or, if Section 42(f)(1) Election Was Made,<br>the Succeeding Calendar Year |       |       |       |       |       |       |       |       |       |       |
|-------------------------|--|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Month of<br>Disposition | 1991   | 1992  | 1993  | 1994  | 1995  | 1996  | 1997  | 1998  | 1999  | 2000  | 2001  |
| Jan '05                 | 14.99  | 27.92 | 39.03 | 48.55 | 56.77 | 56.71 | 56.86 | 57.15 | 57.52 | 58.00 | 58.83 |
| Feb '05                 | 14.99  | 27.92 | 39.03 | 48.55 | 56.77 | 56.59 | 56.74 | 57.04 | 57.41 | 57.89 | 58.72 |
| Mar '05                 | 14.99  | 27.92 | 39.03 | 48.55 | 56.77 | 56.47 | 56.63 | 56.93 | 57.30 | 57.79 | 58.61 |
| Apr '05                 | 15.85  | 29.52 | 41.27 | 51.33 | 60.03 | 60.18 | 60.95 | 61.89 | 62.92 | 64.10 | 65.66 |
| May '05                 | 15.85  | 29.52 | 41.27 | 51.33 | 60.03 | 60.05 | 60.83 | 61.77 | 62.80 | 63.98 | 65.54 |
| Jun '05                 | 15.85  | 29.52 | 41.27 | 51.33 | 60.03 | 59.93 | 60.71 | 61.65 | 62.69 | 63.87 | 65.42 |
| Jul '05                 | 15.85  | 29.52 | 41.27 | 51.33 | 60.03 | 59.81 | 60.59 | 61.54 | 62.57 | 63.76 | 65.32 |
| Aug '05                 | 15.85  | 29.52 | 41.27 | 51.33 | 60.03 | 59.70 | 60.48 | 61.42 | 62.46 | 63.65 | 65.21 |
| Sep '05                 | 15.85  | 29.52 | 41.27 | 51.33 | 60.03 | 59.58 | 60.36 | 61.31 | 62.36 | 63.55 | 65.11 |

Table 1 (cont'd)  
 Rev. Rul. 2005-44  
 Monthly Bond Factor Amounts for Dispositions Expressed  
 As a Percentage of Total Credits

| Month of Disposition | Calendar Year Building Placed in Service or, if Section 42(f)(1) Election Was Made, the Succeeding Calendar Year |       |       |       |  |  |  |  |  |  |  |
|----------------------|--|-------|-------|-------|--|--|--|--|--|--|--|
|                      | 2002   | 2003  | 2004  | 2005  |  |  |  |  |  |  |  |
| Jan '05              | 59.92  | 61.22 | 62.49 | 62.68 |  |  |  |  |  |  |  |
| Feb '05              | 59.80  | 61.09 | 62.33 | 62.68 |  |  |  |  |  |  |  |
| Mar '05              | 59.69  | 60.97 | 62.19 | 62.68 |  |  |  |  |  |  |  |
| Apr '05              | 67.52  | 69.62 | 71.64 | 72.55 |  |  |  |  |  |  |  |
| May '05              | 67.40  | 69.48 | 71.49 | 72.55 |  |  |  |  |  |  |  |
| Jun '05              | 67.28  | 69.36 | 71.35 | 72.55 |  |  |  |  |  |  |  |
| Jul '05              | 67.17  | 69.24 | 71.23 | 72.55 |  |  |  |  |  |  |  |
| Aug '05              | 67.06  | 69.12 | 71.12 | 72.55 |  |  |  |  |  |  |  |
| Sep '05              | 66.96  | 69.02 | 71.02 | 72.55 |  |  |  |  |  |  |  |

For a list of bond factor amounts applicable to dispositions occurring during other calendar years, see: Rev. Rul. 98-3, 1998-1 C.B. 248; Rev. Rul. 2001-2, 2001-1 C.B. 255; Rev. Rul. 2001-53, 2001-2 C.B. 488; Rev. Rul. 2002-72, 2002-2 C.B. 759; Rev. Rul. 2003-117, 2003-2 C.B. 1051; and Rev. Rul. 2004-100, 2004-44 I.R.B. 718.

**DRAFTING INFORMATION**

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