



STATE OF MICHIGAN

GRETCHEN WHITMER
GOVERNOR

MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY
LANSING

GARY HEIDEL
ACTING EXECUTIVE DIRECTOR

MEMORANDUM

October 31, 2022

TO: Owners & Management Agents of Tax Credit Properties

FROM: Nathan Thelen, Compliance Manager

SUBJECT: New MSHDA PHA Utility Allowance Schedules Effective January 1, 2023

MSHDA has updated the PHA Utility Allowance Schedules effective January 1, 2023. All LIHTC developments that use MSHDA's PHA allowances must implement utility allowance changes and any resulting required rent adjustments no later than 90 days from the January 1st effective date, per the Internal Revenue Code Section 1.42-10. The 90 day implementation period begins on January 1, 2023 and ends March 31, 2023. All changes must be implemented for rent due April 1, 2023.

MSHDA-financed developments utilizing the PHA Utility Allowance Schedule will need to update the MSHDA Rent Schedule to include the new allowances.

MSHDA's PHA utility allowances can be downloaded from our website at the link listed below. Please note that the January 1, 2023 Utility Allowance Schedules are posted by region:

- Region A covers the Upper Peninsula,
- Region B covers northern counties,
- Region C covers the western-central counties, and
- Region D covers the south-eastern counties.

http://www.michigan.gov/mshda/0,1607,7-141-8002_26576_26582-135005--,00.html

A copy of the completed chart for each property utilizing this method must be submitted to mshdacompli@michigan.gov, once it is completed.

If you have questions regarding the utility allowance changes, please contact the Compliance staff at (517) 241-2560.