
To: All 1602 Exchange Recipients

Notice: MFD-10-16

From: IHCDA Multi Family Department

Date: August 9, 2010

Re: **1602 Exchange 30% Test Deadline**

All developments awarded 1602 Exchange Funds that will not expend and disburse all of the 1602 Exchange funds by December 31, 2010 must have paid or incurred at least 30% of the development's total adjusted basis in land and depreciable property that is reasonably expected to be part of the rental housing tax credit development by December 31, 2010 (the "30% Test").

If a development does not meet the 30% Test as of December 31, 2010, all of the 1602 Exchange Funds that have not been drawn by that date will be returned to the U.S. Department of the Treasury.

Developments that have drawn down and disbursed 100% of their 1602 Exchange Funds by December 31, 2010 will not be required to submit documentation demonstrating the 30% Test has been met.

IHCDA will accept the 30% Test forms with required original signatures beginning September 1, 2010. The final date for 1602 Exchange recipients to submit the 30% Test forms with required original signatures is January 5, 2011. **The deadline will be strictly enforced.**

The 30% Test Forms include:

1. Independent Auditor's Report
2. Owner/Taxpayer Certification of 30% Expenditure
3. Owner/Taxpayer Certification

The 30% Test Forms are available by clicking here: [30% Test Forms](#)

All submissions must be sent to:

Indiana Housing and Community Development Authority
Multifamily Department
30 South Meridian St., Suite 1000
Indianapolis, IN 46204
Attn: J. Jacob Sipe, Multifamily Director

