



To: Real Estate Department Partners

Notice: **RED-26-11**

From: Real Estate Department

Date: February 13, 2026

Re: **Noncompetitive Bond Round Open and 25% Test Updates**

In [RED Notice 26-01](#), IHCDa requested feedback on a proposed change to the agency's 25% Test policy. After careful consideration of all comments received, IHCDa will allow applicants to request tax-exempt bond volume representing **30% of aggregate basis or the maximum permanent supportable debt, not to exceed 55% of aggregate basis**.

This policy will be in effect for the 2027 Noncompetitive 4% LIHTC and Tax-Exempt Bond Round. IHCDa will issue a separate RED Notice confirming the policy that will be applicable during the 2027 4% LIHTC and Tax-Exempt Bond with Affordable and Workforce Housing Tax Credit Round.

The 2026-2027 Qualified Allocation Plan (QAP) states that the first window of the 2027 Noncompetitive 4% LIHTC and Tax-Exempt Bond Round may open earlier than the anticipated date of March 2, 2026, if announced via RED Notice. **IHCDa hereby announces that this application window is now open.** Applications will be accepted through July 31, 2026, at 5:00 PM Eastern Time, as long as bond volume remains available.

This application round will utilize the Online Tax Credit Application. For account setup instructions and other information, please see [RED Notice 25-23](#).

Please visit the [Indiana Low-Income Housing Tax Credit webpage](#) for the most recent estimate of available bond volume.

Questions about this notice may be directed to Alan Rakowski at arakowski@ihcda.in.gov or (317) 233-1220.



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