



DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, D.C. 20224

OFFICE OF THE CHIEF COUNSEL

November 16, 2009

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Dear _____ :

This letter responds to your October 30, 2009 letter requesting confirmation that "2008 Disaster Relief Credits" that are returned in 2009 may be reallocated in 2009. In your letter you reference (and attach a portion thereof) an undated U.S. Department of Treasury Memorandum stating, in part, that "a GO Zone [Low Income Housing Tax Credit] LIHTC that was allocated in 2008 and returned in 2009 may be reallocated within the GO Zone in 2009."

The Treasury memorandum you reference is intended to encompass disaster LIHTCs allocated under the authority of the Gulf Opportunity [GO] Zone Act of 2005 (P. L. 109-135) and the Heartland Disaster Tax Relief Act of 2008 (P.L. 110-343) (Heartland Act). Thus, the statement in the Treasury memorandum that "a GO Zone LIHTC that was allocated in 2008 and returned in 2009 may be reallocated within the GO Zone in 2009" applies also to disaster credits allocated under the authority of the Heartland Act. Accordingly, we can confirm that LIHTCs allocated in 2008 under the authority of the Heartland Act that are returned in 2009 may be reallocated in 2009.

We appreciate your interest in this matter and hope that we have been of assistance to you. If I can be of further assistance, please call me or _____ at _____.

Sincerely yours,

Paul F. Handleman
Chief, Branch 5
Office of the Associate Chief Counsel
(Passthroughs & Special Industries)