



# TaxNewsFlash

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## Rev. Proc. 2021-17 and Rev. Proc. 2021-19: Guidance under section 143 for issuers of qualified mortgage bonds

The IRS today released advance versions of Rev. Proc. 2021-17 and Rev. Proc. 2021-19 as guidance for issuers of qualified mortgage bonds pursuant to provisions of section 143.

- [Rev. Proc. 2021-17](#) [PDF 310 KB] provides issuers of qualified mortgage bonds and issuers of mortgage credit certificates with (1) the nationwide average purchase price for residences located in the United States, and (2) average area purchase price safe harbors for residences located in statistical areas in each state, the District of Columbia, Puerto Rico, the Northern Mariana Islands, American Samoa, the Virgin Islands, and Guam.
- [Rev. Proc. 2021-19](#) [PDF 132 KB] provides guidance with respect to the United States and area median gross income figures for use by issuers of qualified mortgage bonds and issuers of mortgage credit certificates in computing the income requirements under section 143(f). Treasury and the IRS have published this revenue procedure as permanent guidance, and announced they will cease publishing annual revenue procedures providing income figures for purposes of computing the income requirements of section 143(f). The revenue procedure provides:
  - That issuers must use either (1) the income figures the Department of Housing and Urban Development (HUD) released most recently, or (2) the income figures HUD released immediately prior to the income figures HUD released most recently, determined as of the date a mortgage loan or mortgage credit certificate is committed to a mortgagor
  - A 90-day transition period, following the release of the HUD income figures in a current calendar year, for issuers to use the income figures HUD released during the second calendar year prior to the current calendar year

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