



## Credit for Affordable Housing Worksheet for Tax Year 2025 36 M.R.S. § 5219-WW

Enclose with Form 1040ME, Form 1040C-ME, Form 1041ME, Form 1120ME, or Form INS-4.

**Note:** A separate worksheet must be completed for each certified Maine affordable housing project.  
**Read the instructions before completing this worksheet.**

**Taxpayer Name:** \_\_\_\_\_ **EIN/SSN:** \_\_\_\_\_

**Note:** In the case of pass-through entities (such as partnerships, LLCs, S corporations, and trusts) making eligible investments, the partners, members, shareholders, beneficiaries, or other owners are allowed a credit in proportion to their respective interests in these entities or in accordance with an executed written agreement among the owners. Enter the name and ID number of the entity on the lines below. Also enter your ownership percentage in the pass-through entity, or if different, your percentage interest in the credit in accordance with an executed written agreement among the owners.

Name of Pass-through Entity	EIN/SSN	Ownership Percentage	Credit Percentage
_____	_____	_____ %	_____ %

**Check the box that applies:**

- A.  Check this box if the credit is based on the federal low-income housing tax credit as allocated by the Maine State Housing Authority for a qualified Maine project under Internal Revenue Code (IRC) Section 42. See 36 M.R.S §§ 5219-WW(2)(A) and 5219-WW(4)(C).
  
- B.  Check this box if the credit is based on qualified basis expenditures for which the federal low-income housing tax credit under IRC Section 42 is not claimed. See 36 M.R.S § 5219-WW(2)(B).

**Note:** You **must** attach a copy of the Affordable Housing Credit Allocation Certificate issued by the Maine State Housing Authority. You do not qualify for the credit unless the copy of the certificate is attached.

1. If Box A above is checked, enter the taxable year in which you claimed the federal low-income housing tax credit for the project: \_\_\_\_\_
  
2. Enter the date the project was placed in service: \_\_\_\_\_
  
3. Enter the street, city, and state of the affordable housing project for which the credit is claimed: \_\_\_\_\_  
\_\_\_\_\_
  
4. Enter the amount of credit set forth in the Affordable Housing Credit Allocation Certificate. Enter here and on Form 1040ME, Schedule A, Other Tax Credits Worksheet (for Lines 8 and 20), line 1; Form 1040C-ME, Schedule A, line 2; Form 1041ME, Schedule A, line 4; Form 1120ME, Schedule C, line 2c; or Form INS-4, line 19. .... 4. \_\_\_\_\_

Complete a separate worksheet for each certified affordable housing project. Add the amounts from line 4 on each completed worksheet to determine your total available credit and enter on the appropriate income tax form following the instructions for line 4.

**Note:** MRS may request additional information supporting the credit claimed before the return can be processed.

## Credit for Affordable Housing Worksheet for Tax Year 2025 Instructions

The Credit for Affordable Housing may be claimed for the qualified expenditures of an affordable housing project that are certified by the Maine State Housing Authority (“MaineHousing”). The credit is fully refundable.

**Affordable Housing Project.** Affordable housing project means a qualified low-income housing project, as defined by IRC Section 42(g), that is located in Maine.

**Qualified Maine Project.** A qualified Maine project is an affordable housing project that is: **(1)** either the construction of one or more new buildings or the adaptive reuse of one or more previously constructed buildings that have not been previously used for residential purposes; **(2)** subject to a restrictive covenant requiring at least 60% of the units in the project to which credits are allocated to be restricted to households with income at or below 50% of area median gross income; and **(3)** eligible for the 30% present value credit as described in IRC Section 42 as a result of tax-exempt financing described in IRC Section 42(h)(4)(B).

**Credit-qualified Affordable Housing Project.** A credit-qualified affordable housing project is an affordable housing project: **(1)** in which at least 60% of the residential units for which credits are allocated are restricted to households with income at or below 50% of area median gross income; or **(2)** that is a qualified rural development preservation project.

**Qualified Rural Development Preservation Project.** A qualified rural development preservation project means an affordable housing project in which at least 75% of the residential units are assisted or financed under a United States Department of Agriculture, Rural Development program.

**Credit Amount.** The credit is equal to one of the following:

**1) Qualified Maine Projects.** The credit is equal to the amount of total federal low-income housing tax credit as allocated by MaineHousing to the project, computed using the entire federal credit period for that project, or the lesser amount certified by MaineHousing in the Affordable Housing Credit Allocation Certificate pursuant to 36 M.R.S. § 5219-WW(4)(C).

**2) Other Affordable Housing Projects.** For an affordable housing project other than a qualified Maine project that incurs at least \$100,000 of expenditures includible in the eligible basis of the project, the credit is an amount equal to the lesser of: **(a)** 50% of the qualified basis of the project; and **(b)** \$500,000.

**When to Claim the Credit.** For a qualified Maine project, the entire credit must be claimed in the later of: **(1)** the first taxable year in which the federal low-income housing tax credit for the project is claimed; and **(2)** the taxable year for which the project has an allocation of credit from MaineHousing. For all other affordable housing projects, the credit must be claimed in the taxable year for which the project has an allocation of credit from MaineHousing.

**Recapture.** A project that does not remain a credit-qualified affordable housing project for 15 years from the date the project is placed in service is subject to recapture by MaineHousing.

**Pass-through entities:** In the case of pass-through entities (such as partnerships, LLCs, S corporations and trusts), the partners, members, shareholders, beneficiaries or other owners are allowed a credit either in proportion to their respective interests in the entity or in accordance with an executed written agreement.

For more information about the Credit for Affordable Housing, contact MaineHousing at (207) 626-4600.

Complete a separate worksheet for each certified affordable housing project. Add the amounts from line 4 on each completed worksheet to determine your total available credit and enter on the appropriate income tax form following the instructions for line 4.