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To: Real Estate Department Partners  
From: Real Estate Department  
Date: January 9, 2026 **Updated January 14, 2026**  
Re: **Public Comment for 25% Test Guidance**

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**Notice: RED-26-01**

In RED Notice 25-41, IHCD established that any applicants seeking tax-exempt bond volume for a 4% Low-Income Housing Tax Credit transaction must limit their requests to 25-35% of the project's aggregate basis. Due to the large amount of carryforward volume available in calendar year 2026, the Real Estate Department is considering a revision to this policy to allow applicants to request between **25-50% of aggregate basis** for all subsequent bond funding rounds under the 2026-2027 Qualified Allocation Plan.

IHCDA is seeking feedback on this proposed change. Please direct all public comments to the attention of Alan Rakowski, Director of Real Estate Allocation, via [arakowski@ihcda.in.gov](mailto:arakowski@ihcda.in.gov). IHCDA will accept written comments until **Friday, January 30<sup>th</sup>**.

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



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