

**Maximum Income Levels and Rents
Portsmouth, New Hampshire
Low Income Housing Tax Credit Program**

The Low-Income Housing Tax Credit (LIHTC) program is administered under Section 42 of the Internal Revenue Service (IRS) Code. Participating properties base their rents on the income limits that HUD is mandated to publish.

HUD published new income limits in April 2020. Below are the maximum rents allowed for Portsmouth, NH, including utilities, under this program.

	# Units	Max Income	Max LIHTC Rent
50% AMI UNITS			
1BR Units	18	38,150	953
2BR Units	6	45,800	1,145
60% AMI UNITS			
1BR Units	17	45,780	1,144
2BR Units	5	54,960	1,374
70% AMI UNITS			
1BR Units	13	\$53,410	1,335
2BR Units	5	\$64,120	1,603
TOTAL UNITS			
	64		

The Federal Low-Income Housing Tax Credits (LIHTC) program operates through the federal tax code. It was authorized through the Tax Reform Act of 1986 to give private investors a federal income tax credit as an incentive to make equity investments in affordable rental housing. The equity raised is issued to construct new properties or acquire, renovate and refinance existing rental housing properties that have previously been financed through other federal housing programs. These investments reduce the need for costlier methods of financing, such as bank loans, rendering lower affordable rents sufficient to sustain the property.