



LENDER NOTICE MCC Form Updates

November 4, 2020

Introduction

This lender notice relates to changes and updates made to the MCC Applicant(s) Affidavit and Recapture Notification and the MCC Checklists for the required MCC documentation when submitting MCC applications for both with and without a New Hampshire Housing loan.

Updates

MCC Applicant(s) Affidavit and Recapture Notification.

- **Part I, (3) relating to deduction of home business expenses.** Currently, New Hampshire Housing limits trade or business use to 5%. In order to provide more relief in connection with business use of a home, New Hampshire Housing is increasing the percentage for the allowable deduction limit for a trade or business to 15%, consistent with federal tax law.
- **Part I (8) relating to the three-year tax return requirement.** A section has been added to help minimize the requests for MCC missing items for unsigned tax returns. If the borrower has submitted unsigned Federal tax returns with the MCC application, the borrower will have the option of initialing the appropriate section on the form as to why the tax returns being submitted are unsigned. (See below as highlighted in [attachment.](#))

If the copies of the Federal Income tax returns submitted are unsigned, please initial the appropriate box below:

The provided copies are unsigned due to:

- The manner of transmitting the return(s) was electronically filed; or
 I/we did not keep a copy of my/our signed tax return(s)

If I/we was/were **not required to file such returns during one or more such preceding three years** in accordance with Section 6012 of the Internal Revenue Code, I/We are familiar with such Section 6012 and confirm that such returns were **not required to be filed for the following years:** _____

New Hampshire Housing's Mortgage Credit Certificate (MCC) Program Checklists for both with and without a New Hampshire Housing loan. (See below and in attachment.) See also [Checklist without NHHFA loan](#) and [Checklist with NHHFA loan](#)

- Verification of income has been updated to include **All household income** (taxable and non-taxable income), for **All household members (ages 18 years and older)** including:
 - Wages and other compensation (evidenced by most recent 30-days' paystubs);
 - SSI and SSDI;
 - Alimony and Child Support;
 - VA Benefits;
 - Pension/Annuity;
 - Unemployment Compensation; and
 - Self-Employment (Current year-to-date business profit and loss statement)
- Tax returns from **All household members** has been **updated** to:
 - Tax returns and/or tax transcripts from **All household members with an ownership interest in the property**. The most recent three years' tax returns must be signed, dated and complete with all Schedules attached.
 - **Please Note:** If the property being purchased is located in a [targeted area](#), tax returns and/or tax transcripts are not required, unless borrower is self-employed, in which case two years' tax returns and/or tax transcripts would be required.

Effective Date: October 30, 2020

If you have any questions, please contact Guylène Dreisig at 603.310-9321 or gdreisig@nhhfa.org.

For more information on the Homebuyer Tax Credit see our [Lender Selling Guide](#). If you would like your staff to be trained on the program, please contact Lisa Ford at 603-310-9245 or lford@nhhfa.org.

Sincerely,

Homeownership Team
New Hampshire Housing
ownershipinfo@nhhfa.org
www.nhhfa.org/homeownership



About New Hampshire Housing As a self-sustaining public corporation, New Hampshire Housing Finance Authority promotes, finances and supports affordable housing. NHHFA operates a number of rental and homeownership programs that assist low- and moderate-income persons in obtaining affordable housing. Since its inception, NHHFA has helped more than 50,000 families purchase their own homes and has been instrumental in financing the creation of almost 15,000 multi-family housing units. NHHFA.org

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