

## 10 – MCC REISSUANCE

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The MCC reissuance procedures in this section pertain only to MCCs issued after May 1, 2007.

The IRS issued a regulation allowing the reissuance of Mortgage Credit Certificates when an MCC holder refinances the original mortgage loan. Adjustable Rate Mortgages (ARM) are not eligible for MCC Reissuance.

The refinancing lender must be a participating lender in the MCC program. If the refinancing lender is not a participating lender in the MCC program, please contact [Corinna Obar](#) for a MCC Participation Agreement. The MCC Participation Agreement details the participant lender responsibilities including reports provided to the IRS.

The regulation allows the Commission to reissue an MCC under the following guidelines:

1. The refinance was completed;
2. The reissued MCC must be completed within one year of refinance;
3. The reissued MCC must be for the same residence as listed on the MCC;
4. The reissued MCC replaces the existing certificate;
5. The certified mortgage amount on the reissued MCC doesn't exceed the outstanding balance of the mortgage amount prior to refinancing. MCC holders may refinance for an increased mortgage amount but will only receive the MCC credit to interest incurred from the existing balance of the original mortgage;
6. The reissued certificate credit rate cannot exceed the certificate credit rate specified in the existing Certificate; and
7. The reissued MCC does not result in an increase in the credit in any taxable year.

### REFINANCING APPLICANT CERTIFICATION

A Refinancing Applicant Certification must be completed by the MCC holder. The certification contains information the Commission will use in determining that the MCC reissuance requests meets IRS eligibility guidelines.

### APPLICATION FEE

A \$375.00 **non-refundable** application fee must be included in a reissuance request.

## **REQUIRED DOCUMENTATION**

In order for the Commission to process an MCC reissuance request, the following (all documents must be signed and dated) documents must be submitted:

1. A copy of the signed executed note for the existing mortgage loan;
2. A copy of the signed executed note for the refinanced mortgage loan;
3. A copy of the signed deed of trust for the residence;
4. The signed final Closing Disclosure for the refinanced mortgage loan;
5. A copy of the payoff statement or the last mortgage statement from the previous lender;
6. The original Mortgage Credit Certificate;
7. Refinancing Applicant Certification (signed and dated);
8. Copy of most current tax return (signed and dated);
9. An application fee of \$375.00 payable to the Washington State Housing Finance Commission.

Please send your completed package to:

Washington State Housing Finance Commission  
Attn. MCC Program Administration  
1000 Second Avenue, Suite 2700  
Seattle, WA 98104-1040

## **12 – PARTICIPANT LENDER REPORTING**

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Participant Lenders shall file an annual report with the Internal Revenue Service on IRS Form 8329 (or such other form as may be designated by law or regulation) during the period that MCCs are being issued by the Commission. This Form 8329 must be filed on or before January 31<sup>st</sup> of the year following the calendar year to which the report relates. A copy of the annual report shall be provided to the Commission within ten (10) days of the date the report was due to the IRS at the following address:

Washington State Housing Finance Commission  
1000 Second Avenue, Suite 2700  
Seattle, WA 98104-1046  
Attn. MCC Program Administration

For six years following the year in which a loan for which the Commission issued the MCC was made, the Participant Lender shall retain on its books, records and have available a summary of loans which includes the following information:

1. The name, address, and Social Security number of each MCC holder.
2. The name, address, and federal taxpayer identification number (91-1874730) of the Commission.
3. The date the loan was closed, the date the MCC was issued, the certified indebtedness amount, the credit rate under the MCC, and the amount of MCC issued.

Participant Lenders are subject to the penalty provisions of Section 6709(c) of the Code. These provisions apply to the failure of Participant Lenders to file IRS Form 8329 and shall survive the termination of this MCC Program or any resignation of the Participant Lender.