
Request for Recapture Tax Reimbursement

I/we, the undersigned Borrower(s) requests reimbursement of the Recapture Tax paid following the sale or other disposition of my/our property. This property was purchased with a mortgage loan financed with funds made available by Tennessee Housing Development Agency (THDA) Single Family Mortgage Revenue Bond Program.

Certain information relating to the mortgage loan is as follows:

Name(s) of Borrower(s): _____

Address of Home: _____

Phone number(s): _____

Email Address: _____

Purchase Price of Home: _____ Mortgage Loan Closing Date: _____

First Mortgage Loan #: _____

Second Mortgage Loan # (if applicable): _____

Sales Price of Home: _____ Date of Sale: _____

Amount of Recapture Tax Paid by Borrower(s): _____

As part of this request for reimbursement, I/we make the following statements, representations, and warranties:

1. The Recapture Tax reported to the Internal Revenue Service (IRS) was calculated by me/us, either alone or with the assistance of a tax advisor or the IRS. I/we have neither requested nor relied on THDA to calculate the Recapture Tax. I/we acknowledge that THDA will not calculate the amount of Recapture Tax on my/our behalf and has no obligation or responsibility to verify the accuracy of the calculations.
2. I/we understand that THDA will reimburse me/us only for the amount of the Recapture Tax I/we paid, as reported to the IRS Form 8828, *Recapture of Federal Mortgage Subsidy*. I/we further understand THDA will not reimburse for any fees, interest, expenses or penalties incurred in connection with the Recapture Tax.
3. The information contained in my/our tax return for the calendar year in which a disposition of this home occurred was true and accurate as of the date the return was filed with the IRS. Such information, together with the information included in this request for reimbursement of my/our Recapture Tax and in any documents or item requested by THDA, is or will be correct as of the date submitted to THDA.

4. I/we have not previously requested THDA to reimburse for any Recapture Tax with respect to the home described above. I/we will not submit another reimbursement request regarding this home for any reason, including but not limited to, the payment of additional Recapture Tax because of any miscalculation.
5. I/we understand that if I/we pay the recapture tax in error, THDA will not reimburse me/us. It will be my/our responsibility to file an amended tax return with the IRS to be reimbursed any monies that were not due them.

I/we acknowledge that THDA will issue an *IRS Form 1099* and report the reimbursement payment to the IRS. I/we acknowledge THDA's reimbursement of the Recapture Tax may constitute income to me/us for federal tax purposes, and that I/we may have to pay taxes on this reimbursement amount. I/we further acknowledge that THDA will not provide any additional funds to pay any taxes on the reimbursement amount. If I/we have questions regarding the treatment of the reimbursement for tax purposes, I/we will check with a tax advisor or the IRS.

I/we have attached this Request for Recapture Tax Reimbursement along with the following documentation:

- Copy of signed and filed federal tax return, including completed *IRS Form 8828, Recapture of Federal Mortgage Subsidy*, for the year in which the home was sold or otherwise disposed of;
- Proof federal taxes were paid;
- Copy of Final Closing Disclosure issued in connection with the disposition of our home;
- An originally signed *IRS Form 4506, Request for Copy of Tax Return*, completed by every Borrower, permitting THDA to obtain a copy of each Borrower's federal tax return, including *IRS Form 8828, Recapture of Federal Mortgage Subsidy*. THDA will pay any fees associated with obtaining your tax return from the IRS.

I/we understand that THDA will not act upon this reimbursement request until copies of the Borrower(s) tax returns are received from the IRS. I/we also understand THDA may need additional documentation to approve this request for reimbursement and I/we will provide such documentation upon request.

Borrower: _____ Date: _____

Borrower: _____ Date: _____

Please send this form and above documentation to:

Tennessee Housing Development Agency
SFLO Division
502 Deaderick Street, 3rd Floor
Nashville, TN 37243