

Communities of Opportunity Tax Credit Program (COTPC)

The Communities of Opportunity Tax Credit Program (COTCP) is a Virginia income tax credit program to decentralize poverty by enhancing low-income Virginians' access to affordable housing units in higher income areas. The COTCP provides Virginia income tax credits to landlords with property in eligible census tracts who participate in the Housing Choice Voucher program.

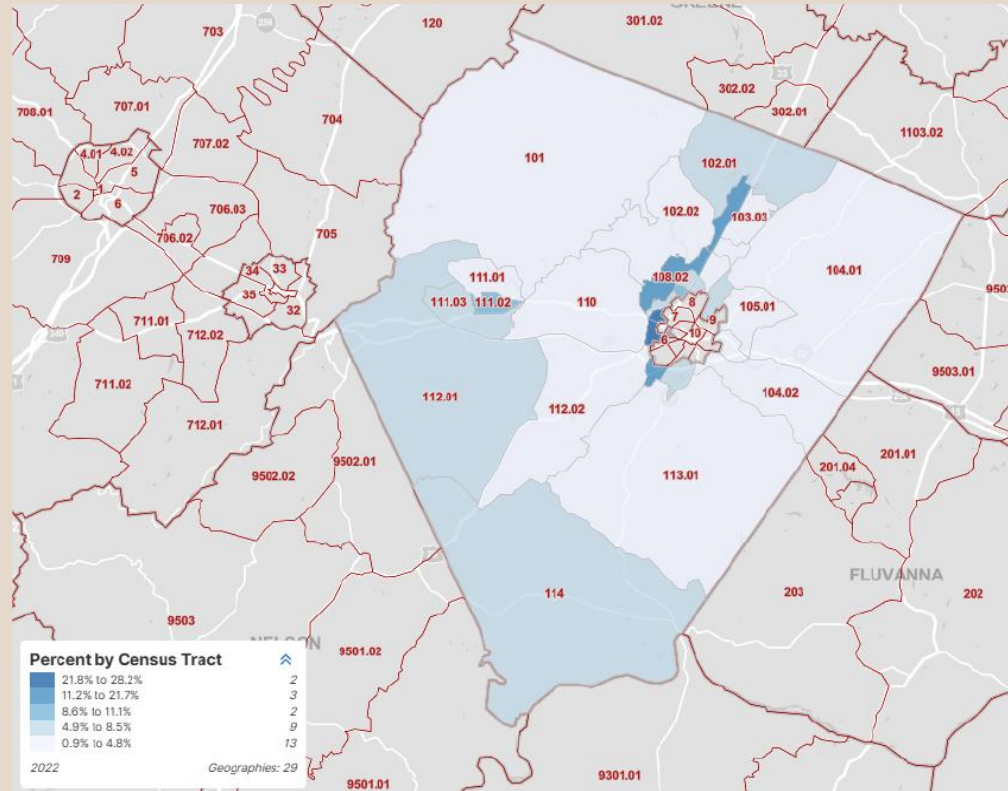
Eligible Properties include one or more units located in an eligible census tract where the property owner has a Housing Choice Voucher Housing Assistance Payments (HAP) contract for all or part of a tax year.

Eligible census tracts are those census tracts that have less than 10% of the poverty.

Eligible landlords may be an individual, trust, general partnership, limited partnership (LP), limited liability partnership (LLP), limited liability company (LLC), or elected small business corporation (S corporation).

Tax Credits

The amount of tax credit for an eligible property is based on 10% of the annual Fair Market Rent and prorated for units that qualify for less than a full tax year. Property owners may receive tax credits for more than one unit within the same year. Any tax credits not taken during the year in which they are allocated may be carried forward for up to 5 years. Credits taken for any one tax year cannot exceed the tax liability for that year.



Is my rental property eligible?

To determine if a specific unit is located in an eligible census tract, visit the [EDA-Census Poverty Status Viewer](#). Click on the magnifying glass located in the upper right corner of the map, and search for your unit address.

Application Process

1. Download an application form and property spreadsheet from the [DHCD COTCP webpage](#). Both forms can be found under the Resources box.
2. Submit the signed and dated application form and spreadsheet to cotaxcredit@dhcd.virginia.gov no later than midnight on January 31.
3. DHCD reviews application packet for eligibility and determines tax credit allocation.
4. Property owner is issued a tax credit certificate.
5. Property owner submits tax certificate with State tax return.

For more information visit: <https://www.dhcd.virginia.gov/cotcp>