

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549

FORM 10-K

☒ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended March 31, 2006

or

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number 0-17711

GATEWAY TAX CREDIT FUND, LTD.

(Exact name of Registrant as specified in its charter)

Florida

59-2852555

(State or other jurisdiction of  
incorporation or organization)

(IRS Employer  
Identification No.)

880 Carillon Parkway, St. Petersburg, Florida

33716

(Address of principal executive offices)

(Zip Code)

Registrant's Telephone Number, Including Area Code (727) 567-4830

Securities registered pursuant to Section 12(b) of the Act: None

Securities registered pursuant to Section 12(g) of the Act:

Title of Each Class  
Units of Limited Partnership Interest

<u>Title of Class</u>	<u>Number of Record Holders as of March 31, 2006</u>
Limited Partnership Interest	2,274
General Partner Interest	2

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

YES \_\_\_\_\_ NO X

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act.

YES \_\_\_\_\_ NO X

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

YES X NO \_\_\_\_\_

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (Sec. 229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. X

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer \_\_\_\_\_ Accelerated filer \_\_\_\_\_ Non-accelerated filer X

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act) \_\_\_\_\_ Yes       X   No

State the aggregate market value of the voting and non-voting common equity held by non-affiliates computed by reference to the price at which the common equity was last sold, or the average bid and asked price of such common equity, as of the last business day of the registrants most recently completed second fiscal quarter.

There is no market for the Registrants Limited Partnership interests.

DOCUMENTS INCORPORATED BY REFERENCE

Part III and IV - Registration Form S-11 and  
all Amendments and Supplements thereto.

File No. 33-18142

## PART I

### Item 1. Business

Gateway Tax Credit Fund, Ltd. ("Gateway") is a Florida limited partnership. The general partners are Raymond James Tax Credit Funds, Inc., the Managing General Partner, and Raymond James Partners, Inc. both of which are sponsors of Gateway Tax Credit Fund, Ltd. and wholly-owned subsidiaries of Raymond James Financial, Inc. Gateway was formed October 27, 1987 and commenced operations as of June 30, 1988 with the first admission of Limited Partners.

Gateway is engaged in only one industry segment, to acquire limited partnership interests in unaffiliated limited partnerships ("Project Partnerships"), each of which owns and operates one or more apartment complexes eligible for Low-Income Housing Tax Credits under Section 42 of the Internal Revenue Code ("Tax Credits"), received over a ten year period. Subject to certain limitations, Tax Credits may be used by Gateway's investors to reduce their income tax liability generated from other income sources. Gateway will terminate on December 31, 2040 or sooner, in accordance with the terms of its Limited Partnership Agreement. Gateway closed its initial offering of Limited Partnership Interests on March 1, 1990 after receiving capital contributions of \$1,000 from the General Partners and \$25,566,000 from Limited Partners.

Operating profits and losses, cash distributions from operations and Tax Credits are allocated 99% to the Limited Partners and 1% to the General Partners. Profit or loss and cash distributions from sales of interests in Project Partnerships will be allocated as described in the Limited Partnership Agreement.

Gateway holds investments in 78 Project Partnerships as of March 31, 2006, acquiring a 99% interest in these properties by becoming the sole limited partner in the Project Partnerships that own the properties. In October 1996 Value Partners, Inc., an affiliate of Raymond James Tax Credit Funds, Inc., became the sole general partner of one of the Project Partnerships, Village Apartments of Sparta, Limited Partnership ("Sparta"). In October 1997, Value Partners became the sole general partner of Village Apartments of Divernon ("Divernon"). See Management's Discussion and Analysis of Financial Condition and Results of Operations for additional details.

The primary sources of funds for the year ended March 31, 2006 were interest income of \$27,927 earned on cash and cash equivalents and \$116,895 in distributions received from Project Partnerships. As of March 31, 2006 Gateway had \$758,509 of Cash and Cash Equivalents.

All Project Partnerships are government subsidized. Most have mortgage loans from the Farmers Home Administration (now called USDA Rural Development) ("USDA RD") under Section 515 of the Housing Act of 1949. These mortgage loans are made at low interest rates for multi-family housing in rural and suburban areas, with the requirement that the interest savings be passed on to low income tenants in the form of lower rents. A significant portion of the Project Partnerships also receive rental assistance from USDA RD to subsidize certain qualifying tenants.

The General Partners do not believe the Project Partnerships are subject to the risks generally associated with conventionally financed non-subsidized apartment properties. Risks related to the operations of Gateway are described in detail on pages 21 through 33 of the Prospectus, as supplemented, under the caption "Risk Factors" which is incorporated herein by reference.

The investment objectives of Gateway are to:

- 1) Provide tax benefits to Limited Partners in the form of Tax Credits during the period in which each Project is eligible to claim tax credits;
- 2) Provide passive losses to individual investors to offset passive income from other passive activities, and provide passive losses to corporate investors to offset business income;
- 3) Preserve and protect the capital contributions of Investors; and
- 4) Participate in any capital appreciation in the value of the Projects.

The investment objectives and policies of Gateway are described in detail on pages 33 through 38 of the Prospectus, as supplemented, under the caption "Investment Objectives and Policies" which is incorporated herein by reference.

Gateway's goal was to invest in a diversified portfolio of Project Partnerships located in rural and suburban locations with a high demand for low-income housing. As of March 31, 2006 the capital contributions raised from Limited Partner investors were successfully invested in Project Partnerships which met the investment criteria. Management anticipates that competition for tenants will only be with other low income housing projects, and not with conventionally financed housing. With significant number of rural American households living below the poverty level in substandard housing, management believes there will be a continuing demand for affordable low income housing for the foreseeable future.

#### Exit Strategy

The IRS compliance period for low-income housing tax credit properties is generally 15 years from occupancy following construction or rehabilitation completion.

Nearly all of the Project Partnerships have reached the end of their tax-credit compliance period. To-date, four of the Project Partnerships holding five of the properties have been sold and, in accordance with the Gateway partnership agreement, the entire net proceeds received from these sales have been disbursed to the Limited Partners of Gateway. One of the Project Partnerships, Village Apartments of Divernon, is classified as held-for-sale on Gateway's March 31, 2006 consolidated balance sheet and was sold subsequent to March 31, 2006.

Gateway is presently evaluating the potential disposition of each of the Project Partnerships which have reached the end of their tax-credit compliance period and as opportunities arise, will endeavor to sell Gateway's interest in those Project Partnerships. The Partnership's objective is to maximize the investor's return wherever possible and ultimately, to liquidate the Project Partnerships that no longer provide tax benefits to investors.

Gateway has no direct employees. The General Partners have full and exclusive discretion in management and control of Gateway.

#### Item 1A. Risk Factors

Gateway, as a limited partner in the Project Partnerships, is subject to risks inherent in the ownership of property which are beyond its control, such as fluctuations in occupancy rates and operating expenses, variations in rental schedules, proper maintenance and continued eligibility of tax credits. If the cost of operating a property exceeds the rental income earned thereon, Gateway may deem it in its best interest to voluntarily provide funds in order to protect its investment.

#### Item 1B. Unresolved Staff Comments.

None.

#### Item 2. Properties

Gateway owns interest in properties through 99% limited partnership interests in 78 Project Partnerships as of March 31, 2006. The largest individual Project Partnership net investment as of March 31, 2006 comprises 15.92% of Gateway's total assets. The following table provides certain summary information regarding the Projects in which Gateway had an interest, excluding Sparta and Divernon (which is classified as held-for-sale on Gateway's consolidated balance sheet as of March 31, 2006), as of December 31, 2005:

PARTNERSHIP	LOCATION OF PROPERTY	# OF UNITS	DATE ACQUIRED	PROPERTY COST	OCCUP
-----	-----	----	-----	-----	-----
Laynecrest	Medway, OH	48	6/88	\$ 1,861,785	88%
Martindale	Union, OH	30	6/88	1,194,871	87%
La Villa Elena	Bernalillo, NM	54	8/88	2,139,299	100%
Rio Abajo	Truth/Consequences, NM	42	9/88	1,920,016	95%
Fortville II	Fortville, IN	24	11/88	810,389	96%
Summitville	Summitville, IN	24	11/88	879,994	75%
Suncrest	Yanceyville, NC	40	12/88	2,177,840	98%
Brandywine III	Millsboro, DE	32	12/88	1,323,452	100%
Concord IV	Perryville, MD	32	12/88	1,428,882	100%
Dunbarton Oaks III	Georgetown, DE	32	12/88	1,423,093	94%
Federal Manor	Federalsburg, MD	32	12/88	1,488,927	88%

Laurel Apts	Laurel, DE	32	12/88	1,403,796	81%
Mulberry Hill IV	Easton, MD	16	12/88	747,509	88%
Madison	Madison, OH	39	12/88	1,478,675	100%
Hannah's Mill	Thomaston, GA	50	12/88	1,812,786	100%
Longleaf Apts.	Cairo, GA	36	12/88	1,192,946	100%
Sylacauga Garden	Sylacauga, AL	42	12/88	1,630,043	86%
Monroe Family	Monroe, GA	48	12/88	1,788,673	92%
Casa Linda	Silver City, NM	41	3/89	1,802,564	100%
Laurel Woods	Ashland, VA	40	3/89	1,549,636	100%
Crosstown	Kalamazoo, MI	201	4/89	6,318,535	96%
Riverside Apts.	Demopolis, AL	40	5/89	1,501,865	100%
Brookshire Apts.	McDonough, GA	46	6/89	1,852,933	100%
Sandridge Apts.	Fernandina Beach, FL	46	6/89	1,824,879	100%
Limestone Estates	Limestone, ME	25	6/89	1,420,783	100%
Eagle's Bay	Beaufort, NC	40	6/89	1,963,249	100%
Teton View	Rigby, ID	40	6/89	1,850,091	98%
Albany	Albany, KY	24	7/89	935,747	50%
Burkesville	Burkesville, KY	24	7/89	913,773	50%
Scotts Hill	Scotts Hill, TN	12	7/89	505,653	100%
Sage	Gallup, NM	44	7/89	2,024,713	98%
Claremont	Cascade, ID	16	8/89	634,996	88%
Middleport	Middleport, NY	25	9/89	1,167,852	96%
Oakwood Apts.	Columbus, NE	24	9/89	1,039,281	92%
Morgantown	Morgantown, IN	24	9/89	959,783	96%
Ashburn Housing	Ashburn, GA	40	9/89	1,300,760	98%
Cuthbert Elderly	Cuthbert, GA	32	9/89	1,028,295	97%
Sandhill Forest	Melrose, FL	16	9/89	573,562	94%
Oakwood Grove	Crescent City, FL	36	9/89	1,238,885	97%
Hastings Manor	Hastings, FL	24	9/89	863,203	92%
Lakewood Apts.	Norfolk, NE	72	9/89	3,260,824	97%
Robinhood Apts.	Springfield, TN	48	9/89	1,838,020	100%
Skyview Terrace	Springfield, TN	48	9/89	1,557,550	100%
Mabank 1988	Mabank, TX	42	9/89	1,419,333	95%
Buena Vista	Buena Vista, GA	24	9/89	814,227	92%
Woodcroft	Elizabethtown, NC	32	9/89	1,497,433	100%
Spring Creek	Quitman, GA	18	10/89	607,608	100%
Spring Creek	Cherokee, AL	24	11/89	1,009,828	100%
Milton Elderly	Milton, FL	43	11/89	1,394,746	98%
Winder Apartments	Winder, GA	48	11/89	1,762,725	100%
Hunters Ridge	Killen, AL	40	12/89	1,420,816	85%
Stone Arbor	Madison, NC	40	12/89	1,874,064	98%
Greeneville	Greeneville, TN	40	12/89	1,576,060	100%
Centralia II	Centralia, IL	24	12/89	976,228	88%
Poteau IV	Poteau, OK	32	12/89	716,016	88%
Barling	Barling, AR	48	12/89	1,152,864	92%
Booneville	Booneville, AR	48	12/89	1,682,587	88%
Augusta	Augusta, KS	66	12/89	2,381,719	95%
Meadows	Farmville, VA	40	12/89	1,588,193	90%
Kenly Housing	Kenly, NC	48	2/90	1,721,200	100%
Fairview South	Athens, TX	44	2/90	1,385,579	98%
River Road Apts.	Waggaman, LA	43	2/90	1,580,305	91%
Middlefield	Middlefield, OH	36	3/90	1,350,227	97%
Floresville	Floresville, TX	40	3/90	1,312,062	100%
Mathis Retirement	Mathis, TX	36	3/90	1,084,390	92%
Sabinal Housing	Sabinal, TX	24	3/90	780,115	96%
Kingsland Housing	Kingsland, TX	34	3/90	1,161,513	100%
Crestwood Villa II	Crestline, OH	36	3/90	1,387,334	78%
Poteau Prop. III	Poteau, OK	19	4/90	583,005	100%
Decatur Properties	Decatur, AR	24	4/90	969,816	92%
Broken Bow Prop II	Broken Bow, OK	46	4/90	1,957,868	98%
Turtle Creek II	Grove, OK	42	4/90	1,558,446	100%
Pleasant Valley	Grangeville, ID	32	4/90	1,494,739	97%
Hartwell Elderly	Hartwell, GA	24	4/90	821,329	96%
Pulaski Village	Pulaski, VA	44	7/90	1,856,679	100%
Southwood Apts.	Jacksonville, TX	40	7/90	1,261,802	98%
		-----		-----	
		2,902		\$ 110,771,264	
		=====		=====	

The average effective rental per unit is \$4,170 per year (\$347 per month).

The average effective occupancy rate at December 31, 2005 was 94.9%

A summary of the book value of the fixed assets of the properties, excluding Sparta and Divernon, as of December 31, 2005, 2004 and 2003 is as follows:

	12/31/05	12/31/04	12/31/03
	-----	-----	-----
Land	\$ 4,799,885	\$ 5,061,085	\$ 4,908,530
Land Improvements	1,566,732	1,569,073	1,567,738
Buildings	99,681,232	102,827,091	102,260,340
Furniture and Fixtures	4,723,415	4,659,162	5,056,328
	-----	-----	-----
Properties, at Cost	110,771,264	114,116,411	113,792,936
Less: Accum. Depreciation	56,049,471	54,943,648	51,556,360
	-----	-----	-----
Properties, Net	\$ 54,721,793	\$ 59,172,763	\$ 62,236,576
	=====	=====	=====

Item 3. Legal Proceedings

Gateway is not a party to any material pending legal proceedings.

Item 4. Submission of Matters to a Vote of Security Holders

As of March 31, 2006, no matters were submitted to a vote of security holders, through the solicitation of proxies or otherwise.

PART II

Item 5. Market for the Registrant's Securities and Related Security Holder Matters

- (a) Gateway's Limited Partnership interests are not publicly traded. There is no market for the Registrant's Limited Partnership interests and it is unlikely that any will develop. No transfers of Limited Partnership Units are permitted without the prior written consent of the Managing General Partner. There have been several transfers over the last two years, with most being from individuals to their trusts or heirs. The Managing General Partner is not aware of the price at which the units are transferred. The conditions under which investors may transfer units is found under ARTICLE XII - "Transfer of a Limited Partnership Interest" on pages A-24 and A-25 of the Limited Partnership Agreement within the Prospectus, which is incorporated herein by reference.
- (b) Approximate Number of Equity Security Holders:

<u>Title of Class</u>	<u>Number of Record Holders as of March 31, 2006</u>
Limited Partnership Interest	2,274
General Partner Interest	2

Item 6. Selected Financial Data

	<u>2006</u> ----	<u>2005</u> ----	<u>2004</u> ----	<u>2003</u> ----	<u>2002</u> ----
Total Revenues	\$ 227,383	\$ 216,372	\$ 201,958	\$ 213,033	\$ 126,985
Net Loss	(378,769)	(1,018,200)	(55,577)	(771,799)	(577,139)
Equity in Income (Losses) of Project Partnerships	(107,224)	(371,209)	541,590	(253,927)	(202,920)
Total Assets	2,054,699	2,381,717	3,360,108	4,334,857	4,946,571
Investments In Project Partnerships	620,184	938,137	1,355,760	1,531,068	1,832,496
Per Limited Partnership Unit: (A)					
Tax Credits	.00	.00	2.01	2.49	4.94
Portfolio Income	10.46	13.65	10.59	10.80	21.61
Passive Loss	(135.51)	(160.84)	(139.25)	(146.37)	(141.03)
Net Loss	(24.07)	(39.43)	(3.08)	(29.89)	(22.35)

(A) The Tax information is as of December 31, the year end of the Partnership for tax purposes.

The above selected financial data should be read in conjunction with the financial statements and related notes appearing elsewhere in this report. This statement is not covered by the auditor's opinion included elsewhere in this report.

## Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

This item should be read in conjunction with the financial statements and other items contained elsewhere in this report.

The Managing General Partner monitors developments in the area of legal and regulatory compliance. For example, the Sarbanes-Oxley Act of 2002 mandates or suggests additional compliance measures with regard to governance, disclosure, audit and other areas. In light of these changes, Gateway expects that it will incur higher expenses related to compliance.

### Results of Operations -

Interest income increased from \$11,740 for the year ended March 31, 2005 to \$28,176 for the year ended March 31, 2006 due to an increase in interest rates throughout fiscal 2006. However, interest income was lower for the year ended March 31, 2006 when compared with the year ended March 31, 2004 due to the maturity of Treasury Notes in the previous years. Both General and Administrative - General Partner and General and Administrative - Other increased for the year ended March 31, 2006 when compared to the year ended March 31, 2005 due to higher administrative costs and certain real estate valuation service expenses incurred by Gateway in fiscal year 2006 for properties being evaluated for possible disposition. Amortization expense also increased for the year ended March 31, 2006 due to a change in the useful life of the acquisition fees and expense. Amortization expense for the year ended March 31, 2005 increased from \$13,643 to \$181,818 for the year ended March 31, 2006. The useful life of the acquisition fees and expense was changed from 35 years to 15 years to better reflect the economic life of those investments.

Two of the Project Partnerships, Keysville, L.P. and Rivermeade Associates sold their properties during fiscal year 2006. Gateway received sale proceeds totaling \$604,258 which were distributed in December 2005 to the Limited Partners, less \$4,000 in legal expenses, at \$23.47 per limited partnership unit. The remaining \$224 of this distribution is shown as a Distribution Payable on the Balance Sheet. As disclosed on the Statement of Operations, Gateway reported a \$598,499 gain on these sales transactions. One Project Partnership, Village Apartments of Divernon, is classified as held-for-sale on the consolidated balance sheet as of March 31, 2006 and was sold subsequent to the balance sheet date.

There were no property sales or Partnership liquidations during fiscal year 2005. During fiscal year 2004, two of the Project Partnerships, Clayfed Apartments, Ltd. and Westside Apartments, Ltd., sold their property in July 2003 and subsequently liquidated. The sale of these properties resulted in a gain allocated to Gateway of \$769,311. Gateway received sale proceeds totaling \$674,675, of which \$672,175 was distributed to the Limited Partners at \$26.29 per limited partnership unit.

For the year ended March 31, 2006 the Project Partnerships reported a loss of \$107,224, while a loss of \$371,209 was reported for the year ended March 31, 2005. The decrease in the reported loss was due to an increase in rental revenue at the Project Partnership level. It is customary in the low-income housing tax credit real estate industry to experience losses for financial and tax reporting purposes because of the non-cash expenses of depreciation and amortization. As a result, management expects Gateway will continue to report its equity in Project Partnerships as a loss for tax and financial reporting purposes.

In total, the Partnership reported a loss of \$378,769 from operations for the year ended March 31, 2006. However, after adjusting for amortization, the changes in operating assets and liabilities, and the equity in losses of Project Partnerships, net cash used in operating activities was \$63,698. The net cash provided by investing activities was \$712,229 consisting primarily of \$116,895 in cash distributions received from Project Partnerships and \$604,258 from the sale of the two Project Partnerships. The cash used in financing activities was \$610,968 consisting primarily of distributions of \$600,258 paid to the Limited Partners relating to the sale of Keysville, LP and Rivermeade Associates.



Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations (Continued)

On October 1, 1997 Value Partners, Inc. became the sole general partner of Village Apartments of Divernon Limited Partnership ("Divernon"), replacing the former general partners. Value Partners, Inc. is an affiliate of Raymond James Tax Credit Funds, Inc., the managing general partner of Gateway. Divernon is a 12 unit property located in Divernon, Illinois in which Gateway invested as the sole limited partner on October 1, 1989. The property's average occupancy rate for the year remained at 67%. Gateway loaned Divernon \$6,000, \$15,832, and \$8,671 to cover the operating deficits for 2003, 2004, and 2005 respectively. As of June 30, 1999, an updated workout plan with the USDA RD was implemented. Management is using rent incentives, vigorous advertising, and tight controls over repairs and maintenance to improve occupancy and cash flows. Divernon is classified as held-for-sale on the consolidated balance sheet as of March 31, 2006.

Subsequent to Gateway's year-end, Gateway sold its Project Partnership investment in Village Apartments of Divernon. The sale of this Project Partnerships' assets will be reflected in the financial statements for the year ended March 31, 2007. Gateway estimates a net gain of approximately \$130,000 will be recognized in fiscal year 2007 upon consummation of the sale transaction. Also subsequent to this year-end, the following fourteen Project Partnerships were actively listed for sale on a commercial marketing website: Laynecrest, Martindale, Fortville II, Summitville, Limestone Estates, Middleport, Morgantown, Robinhood Apartments, Skyview Terrace, Hunters Ridge, Centralia II, Fairview South, Southwood Apartments, and Village Apartments of Sparta.

Liquidity and Capital Resources -

Gateway's capital resources are used to pay General and Administrative operating costs including personnel, supplies, data processing, travel, and legal and accounting associated with the administration and monitoring of Gateway and the Project Partnerships. The capital resources are also used to pay the Asset Management Fee due the Managing General Partner, but only to the extent that Gateway's remaining resources are sufficient to fund Gateway's ongoing needs. (Payment of any Asset Management Fee due but unpaid at the time Gateway sells its interests in the Project Partnerships is subordinated to the investors return of their original capital contribution.)

The sources of funds to pay the operating costs are short term investments and interest earned thereon. At March 31, 2006, Gateway had \$758,509 of short-term investments (Cash and Cash Equivalents). Management believes these sources of funds are sufficient to meet Gateway's current and ongoing operating costs for the foreseeable future, and to pay part of the Asset Management Fee.

For the year ending March 31, 2006, Gateway received \$116,895 in cash distributions from the Project Partnerships. The General and Administrative operating costs were \$302,419 and the Asset Management Fee expensed was \$464,115.

Exit Strategy

The IRS compliance period for low-income housing tax credit properties is generally 15 years from occupancy following construction or rehabilitation completion.

Nearly all of the Project Partnerships have reached the end of their tax-credit compliance period. As of March 31, 2006, four of the Project Partnerships holding five of the properties have been sold and, in accordance with the Gateway partnership agreement, the entire net proceeds received from these sales have been disbursed to the Limited Partners of Gateway. Subsequent to year-end, Gateway sold its Project Partnership investment in Village Apartments of Divernon. The sale of this Project Partnership's assets will be reflected in the financial statements for the year-ended March 31, 2007. Although Gateway estimates that it will not receive any net proceeds from the sale of this Project Partnership, Gateway estimates a net gain of approximately \$130,000 will be recognized in fiscal year 2007 as a result of the sale transaction.

Gateway is presently evaluating the potential disposition of each of the Project Partnerships which have reached the end of their tax-credit compliance period and as

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations (Continued)

opportunities arise, will endeavor to sell Gateway's interest in those Project Partnerships. The Partnerships objective is to maximize the investor's return wherever possible and ultimately, to liquidate the Project Partnerships that no longer provide tax benefits to investors.

Gateway has no direct employees. The General Partners have full and exclusive discretion in management and control of Gateway.

Disclosure of Contractual Obligations

Contractual Obligations	Total	Payment due by period			
		Less than 1 year	1-3 years	3-5 years	More than 5 years
Long-Term Debt Obligations of continuing operations	812,881 (1)	5,148	10,644	11,125	785,964
Long-Term Debt Obligations of discontinued operations	398,904 (1)	0	0	0	398,904
Capital Lease Obligations					
Operating Lease Obligations					
Purchase Obligations					
Other Long-Term Liabilities reflected on the Registrant's Balance Sheet under GAAP	4,007,869 (2)	270,438	3,737,431	0	0

(1) The Long-Term Debt Obligations of continuing operations as of March 31, 2006 represent, on a consolidated basis, the accounts of Gateway and Village Apartments of Sparta Limited Partnership. The Long-Term Debt Obligations of discontinued operations as of March 31, 2006 represent, on a consolidated basis, the accounts of Gateway and Village Apartments of Divernon Limited Partnership. All together, these entities are the "Combined Entities", and represent two Project Partnerships in which Gateway has invested. As of October 1, 1996 and October 1, 1997, respectively, an affiliate of Gateway's Managing General Partner, Value Partners, Inc. became the general partner of the Combined Entities. Since the general partner of the Combined Entities is now an affiliate of Gateway, these combined statements include the long-term liabilities. On November 1, 2005, Rural Development, the holder of the note payable, suspended mortgage payments due from Village Apartments of Divernon Limited Partnership until further notice. The entire balance of the note payable is included in the greater than five years column above. Interest is still being accrued from the time of suspension. Subsequent to year-end, Gateway sold its interest in the Village Apartments of Divernon.

(2) The Other Long-Term Liabilities represent the asset management fees owed to the General Partners as of March 31, 2006. This payable is unsecured, due on demand and, in accordance with the limited partnership agreement, non-interest bearing. As referred to in Note 4, the Managing General Partner does not intend to demand payment of the portion of this balance reflected as due in greater than one year within the next 12 months.

Item 7A. Quantitative and Qualitative Disclosures about Market Risk.

As a small business issuer, no information is required.

Item 8. Financial Statements and Supplementary Data

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Partners of  
Gateway Tax Credit Fund, Ltd.

We have audited the accompanying consolidated balance sheet of Gateway Tax Credit Fund, Ltd. (a Florida Limited Partnership) as of March 31, 2006 and the related consolidated statements of operations, partners' equity (deficit), and cash flows for the year ended March 31, 2006. These consolidated financial statements are the responsibility of the Partnership's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We did not audit the financial statements of a certain Project Partnership for which \$327,130 of net investment is included in these financial statements as of March 31, 2006, and for which a net loss of \$40,561 is included in these financial statements for the year ended March 31, 2006. Those financial statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for such underlying partnership, is based solely on the report of the other auditors. The financial statements of Gateway Tax Credit Fund, Ltd. as of March 31, 2005 and for each of the two years in the period ended March 31, 2005, were audited by other auditors whose report dated September 8, 2005, expressed an unqualified opinion on those statements.

We conducted our audit in accordance with the standards of the Public Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. The Partnership is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Partnership's internal control over financial reporting. Accordingly we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the report of other auditors provide a reasonable basis for our opinion.

In our opinion, based on our audit and the report of other auditors, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Gateway Tax Credit Fund, Ltd. at March 31, 2006 and the results of its operations and its cash flows for the year ended March 31, 2006, in conformity with accounting principles generally accepted in the United States of America.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedules listed under Item 15(a)(2) in the index are presented for purposes of complying with the Securities and Exchange Commission's rules and are not part of the basic financial statements. These schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, based on our audit and the report of other auditors, fairly state in all material respects the financial data required to be set forth therein in relation to the basic financial statements taken as a whole.

/s/ Reznick Group, P.C.  
REZNICK GROUP, P.C.

Atlanta, Georgia  
July 13, 2006

REPORT OF THE INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Partners of  
Gateway Tax Credit Fund, Ltd.

We have audited the accompanying consolidated balance sheet of Gateway Tax Credit Fund, Ltd. (a Florida Limited Partnership) as of March 31, 2005 and the related consolidated statements of operations, partners' equity (deficit), and cash flows for the years ended March 31, 2005 and 2004, respectively. These consolidated financial statements are the responsibility of the Partnership's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We did not audit the financial statements of a certain Project Partnership for which \$463,329 of net investment is included in these financial statements as of March 31, 2005 and for which net losses of \$188,168 and \$83,787 are included in the accompanying financial statements for the years ended March 31, 2005 and 2004, respectively. Those financial statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for such underlying partnership, is based solely on the report of the other auditor.

We conducted our audits in accordance with the standards of the Public Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. The Partnership is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Partnership's internal control over financial reporting. Accordingly we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits and the report of other auditors provide a reasonable basis for our opinion.

In our opinion, based on our audits and the report of other auditors, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Gateway Tax Credit Fund, Ltd. as of March 31, 2005 and the results of its operations and its cash flows for the years ended March 31, 2005 and 2004, respectively, in conformity with accounting principles generally accepted in the United States of America.

/s/ Spence, Marston, Bunch, Morris & Co.  
SPENCE, MARSTON, BUNCH, MORRIS & CO.  
CERTIFIED PUBLIC ACCOUNTANTS

Clearwater, Florida  
September 8, 2005

PART I - Financial Information  
Item 1. Financial Statements

GATEWAY TAX CREDIT FUND, LTD.  
(A Florida Limited Partnership)  
CONSOLIDATED BALANCE SHEET

	2006	2005
	----	----
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$ 758,509	\$ 720,946
Accounts Receivable	15,823	9,117
Prepaid Insurance	190	177
Tenant Security Deposits	0	5,883
Assets Held for Sale	2,794	0
	-----	-----
Total Current Assets	777,316	736,123
Investments in Project Partnerships, Net	620,184	938,137
Replacement Reserves	19,231	22,667
Non-Current Assets Held for Sale	3,626	0
Rental Property at Cost, Net	426,698	684,790
Property Held for Sale	207,644	0
	-----	-----
Total Assets	\$ 2,054,699	\$ 2,381,717
	=====	=====
LIABILITIES AND PARTNERS' EQUITY		
Current Liabilities:		
Payable to General Partners	\$ 270,438	\$ 348,301
Distribution Payable	224	0
Accounts Payable	29,984	2,219
Accrued Real Estate Taxes	10,138	12,672
Tenant Security Deposits	4,500	5,400
Mortgage Notes Payable - Current	5,148	6,893
Liabilities Related to Property Held for Sale	7,291	0
	-----	-----
Total Current Liabilities	327,723	375,485
	-----	-----
Long Term Liabilities:		
Payable to General Partners	3,737,431	3,032,297
Mortgage Notes Payable	807,733	1,211,602
Liabilities Related to Property Held for Sale	398,904	0
	-----	-----
Total Long Term Liabilities	4,944,068	4,243,899
	-----	-----
Minority Interest in Local Limited Partnerships	(69,517)	(69,119)
	-----	-----
Partners' Equity (Deficit):		
Limited Partners (25,566 units outstanding at March 31, 2006 and 2005)	(3,168,987)	(1,953,424)
General Partners	21,412	(215,124)
	-----	-----
Total Partners' (Deficit)	(3,147,575)	(2,168,548)
	-----	-----
Total Liabilities and Partners' Equity (Deficit)	\$ 2,054,699	\$ 2,381,717
	=====	=====

See accompanying notes to financial statements.

GATEWAY TAX CREDIT FUND, LTD.  
(A Florida Limited Partnership)  
CONSOLIDATED STATEMENTS OF OPERATIONS  
FOR THE YEARS ENDED MARCH 31,

	2006	2005	2004
	----	----	----
Revenues:			
Rental	\$ 133,428	\$ 125,995	\$ 125,628
Distribution Income	89,743	86,068	71,378
Miscellaneous Income	4,212	4,309	4,952
	-----	-----	-----
Total Revenues	227,383	216,372	201,958
	-----	-----	-----
Expenses:			
Asset Management Fee-General Partner	464,115	476,680	479,165
General and Administrative:			
General Partner	173,378	116,631	117,118
Other	129,041	78,336	58,297
Rental Operating Expenses	92,138	102,850	87,014
Interest	85,529	85,105	85,824
Depreciation	57,669	59,648	58,510
Amortization	181,818	13,643	13,643
	-----	-----	-----
Total Expenses	1,183,688	932,893	899,571
	-----	-----	-----
Loss Before Equity in Losses of Project Partnerships and Other Income	(956,305)	(716,521)	(697,613)
	-----	-----	-----
Equity in Income (Losses) of Project Partnerships:			
Current Year Equity in Losses of Project Partnerships	(107,224)	(371,209)	(227,721)
Gain on Sale of Partnership Assets	598,499	0	769,311
	-----	-----	-----
Minority Interest in Loss of Consolidated Project Partnerships	398	601	432
Interest Subsidy	57,687	57,189	57,189
Interest Income	28,176	11,740	42,825
	-----	-----	-----
Net Loss	\$ (378,769)	\$ (1,018,200)	\$ (55,577)
	=====	=====	=====
Allocation of Net Loss:			
Limited Partners	\$ (615,305)	\$ (1,008,018)	\$ (78,850)
General Partners	236,536	(10,182)	23,273
	-----	-----	-----
	\$ (378,769)	\$ (1,018,200)	\$ (55,577)
	=====	=====	=====
Net Loss Per Number of Limited Partnership Units	\$ (24.07)	\$ (39.43)	\$ (3.08)
	=====	=====	=====
Number of Limited Partnership Units Outstanding	25,566	25,566	25,566
	=====	=====	=====

See accompanying notes to financial statements.

GATEWAY TAX CREDIT FUND, LTD.  
(A Florida Limited Partnership)  
CONSOLIDATED STATEMENTS OF PARTNERS' EQUITY (DEFICIT)  
FOR THE YEARS ENDED MARCH 31, 2006, 2005 AND 2004:

	Limited Partners Equity (Deficit)	General Partners Equity (Deficit)	Total
	-----	-----	-----
Balance at March 31, 2003	\$ (194,381)	\$ (228,215)	\$ (422,596)
Net Income (Loss)	(78,850)	23,273	(55,577)
Distributions	(672,175)	0	(672,175)
	-----	-----	-----
Balance at March 31, 2004	(945,406)	(204,942)	(1,150,348)
Net Loss	(1,008,018)	(10,182)	(1,018,200)
	-----	-----	-----
Balance at March 31, 2005	(1,953,424)	(215,124)	(2,168,548)
Net Income (Loss)	(615,305)	236,536	(378,769)
Distributions	(600,258)	0	(600,258)
	-----	-----	-----
Balance at March 31, 2006	<u><u>\$ (3,168,987)</u></u>	<u><u>\$ 21,412</u></u>	<u><u>\$ (3,147,575)</u></u>

See accompanying notes to financial statements.

GATEWAY TAX CREDIT FUND, LTD.  
(A Florida Limited Partnership)  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED MARCH 31, 2006, 2005 AND 2004:

	2006 ----	2005 ----	2004 ----
Cash Flows from Operating Activities:			
Net Loss	\$ (378,769)	\$(1,018,200)	\$ (55,577)
Adjustments to Reconcile Net Loss to Net Cash Used in Operating Activities:			
Amortization	181,818	13,643	13,643
Depreciation	57,669	59,648	58,510
Distributions Included in Distribution Income	(89,743)	(86,068)	(71,378)
Accreted Interest Income on Investments in Securities	0	(2,955)	(36,997)
Equity in Losses of Project Partnerships	107,224	371,209	(227,721)
Gain on the Sale of Partnership Assets	(598,499)	0	(769,311)
Minority Interest in Losses of Consolidated Project Partnerships	(398)	(601)	(432)
Changes in Operating Assets and Liabilities:			
(Increase) Decrease in Accounts Receivable	(7,710)	(708)	35,975
(Increase) Decrease in Prepaid Insurance	(101)	(84)	172
Increase (Decrease) in Accounts Payable	30,483	(1,538)	1,548
Increase in Distribution Payable	224	0	0
Increase in Replacement Reserves	(190)	(6,143)	(16,524)
Increase (Decrease) in Security Deposits	6,583	33	(7,316)
Increase (Decrease) in Accrued Real Estate Taxes	439	671	(2,850)
Increase (Decrease) in Payable to General Partners	627,272	48,255	(238,116)
Net Cash Used in Operating Activities	(63,698)	(622,838)	(860,932)
Cash Flows from Investing Activities:			
Distributions Received from Project Partnerships	116,895	118,839	774,633
Redemption of Investment in Securities	0	142,000	514,000
Purchase of Equipment	(7,221)	(3,149)	(373)
Proceeds from Sale of Project Partnerships	604,258	0	0
Cash related to Property Held for Sale	(1,703)	0	0
Net Cash Provided by Investing Activities	712,229	257,690	1,288,260
Cash Flows from Financing Activities:			
Principal Payment on Debt	(6,710)	(6,578)	(6,147)
Distributions to Investors	(600,258)	0	(672,175)
Expenses Related to Sales of Project Partnerships	(4,000)	0	0
Net Cash Used In Financing Activities	(610,968)	(6,578)	(678,322)
Increase (Decrease) in Cash and Cash Equivalents	37,563	(371,726)	(250,994)
Cash and Cash Equivalents at Beginning of Year	720,946	1,092,672	1,343,666
Cash and Cash Equivalents at End of Year	\$ 758,509	\$ 720,946	\$1,092,672
	=====	=====	=====



Supplemental Cash Flow Information:  
Interest Paid

\$ 26,409	\$ 27,917	\$ 28,635
=====	=====	=====

See accompanying notes to financial statements.

GATEWAY TAX CREDIT FUND, LTD.  
(A Florida Limited Partnership)  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
March 31, 2006, 2005 AND 2004

NOTE 1 - ORGANIZATION:

Gateway Tax Credit Fund, Ltd. ("Gateway"), a Florida Limited Partnership, was formed October 27, 1987 under the laws of Florida. Operations commenced on June 30, 1988. Gateway invests, as a limited partner, in other limited partnerships ("Project Partnerships"), each of which owns and operates apartment complexes which qualify for Low-Income Housing Tax Credits. Gateway will terminate on December 31, 2040 or sooner, in accordance with the terms of the Limited Partnership Agreement. Gateway closed the offering on March 1, 1990 after receiving Limited and General Partner capital contributions of \$25,566,000 and \$1,000, respectively. The fiscal year of Gateway for reporting purposes ends on March 31.

Raymond James Partners, Inc. and Raymond James Tax Credit Funds, Inc., wholly-owned subsidiaries of Raymond James Financial, Inc., are the General Partner and Managing General Partner, respectively.

Operating profits and losses, cash distributions from operations and tax credits are allocated 99% to the Limited Partners and 1% to the General Partners. Profit or loss and cash distributions from sales of properties will be allocated as formulated in the Limited Partnership Agreement.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES:

Consolidated Statements

The accompanying statements include, on a consolidated basis, the accounts of Gateway, Village Apartments of Sparta Limited Partnership and Village Apartments of Divernon Limited Partnership ("Combined Entities"), two Project Partnerships in which Gateway has invested. As of October 1, 1996 and October 1, 1997, respectively, an affiliate of Gateway's Managing General Partner, Value Partners, Inc. became the general partner of the Combined Entities. Since the general partner of the Combined Entities is now an affiliate of Gateway, these consolidated financial statements include the financial activity of the Combined Entities for all years presented. All significant intercompany balances and transactions have been eliminated. Gateway has elected to report the results of operations of the Combined Entities on a 3-month lag basis, consistent with the presentation of financial information of all Project Partnerships. Subsequent to year-end, Gateway sold its investment in Village Apartments of Divernon. See further discussion in Note 9.

Basis of Accounting

Gateway utilizes the accrual basis of accounting whereby revenues are recognized when earned and expenses are recognized when obligations are incurred.

Gateway accounts for its investments as the sole limited partner in Project Partnerships ("Investments in Project Partnerships"), with the exception of the Combined Entities, using the equity method of accounting, because management believes that Gateway does not have a majority control of the major operating and financial policies of the Project Partnerships in which it invests, and reports the equity in losses of the Project Partnerships on a 3-month lag in the Statements of Operations. Under the equity method, the Investments in Project Partnerships initially include:

- 1) Gateway's capital contribution,
- 2) Acquisition fees paid to the General Partner for services rendered in selecting properties for acquisition, and
- 3) Acquisition expenses including legal fees, travel and other miscellaneous costs relating to acquiring properties.

## NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (continued):

Quarterly the Investments in Project Partnerships are increased or decreased as follows:

- 1) Increased for equity in income or decreased for equity in losses of the Project Partnerships,
- 2) Decreased for cash distributions received from the Project Partnerships and,
- 3) Decreased for the amortization of the acquisition fees and expenses.

For the fiscal year ended March 31, 2006, Gateway changed the period over which the intangible acquisition fees and expenses are amortized. In all prior years, the period in which such intangible assets had been amortized was 35 years. In the fiscal year period ended March 31, 2006, this amortization period was changed to 15 years to better approximate the period over which the benefits of these investments are realized. As a result of this change in estimate, an additional \$171,067 of amortization expense was recognized during the year-ended March 31, 2006, as compared to the amortization expense amount which would have been realized had the estimated amortization period not changed during the year. The net amortization is shown as amortization expense on the Statements of Operations.

Pursuant to the limited partnership agreements for the Project Partnerships, cash losses generated by the Project Partnerships are allocated to the general partners of those partnerships. In subsequent years, cash profits, if any, are first allocated to the general partners to the extent of the allocation of prior years' cash losses.

Since Gateway invests as a limited partner, and therefore is not obligated to fund losses or make additional capital contributions, it does not recognize losses from individual Project Partnerships to the extent that these losses would reduce the investment in those Project Partnerships below zero. The suspended losses will be used to offset future income from the individual Project Partnerships.

Gateway reviews its investments in Project Partnerships to determine if there has been any permanent impairment whenever events or changes in circumstances indicate that the carrying amount of the investment may not be recoverable. If the sum of the expected future cash flows is less than the carrying amount of the investment, Gateway recognizes an impairment loss. No impairment loss has been recognized in the accompanying financial statements.

Gateway, as a limited partner in the Project Partnerships, is subject to risks inherent in the ownership of property which are beyond its control, such as fluctuations in occupancy rates and operating expenses, variations in rental schedules, proper maintenance and continued eligibility for tax credits. If the cost of operating a property exceeds the rental income earned thereon, Gateway may deem it in its best interest to voluntarily provide funds in order to protect its investment. However, Gateway does not guarantee any of the mortgages or other debt of the Project Partnerships.

### Variable Interest Entities

In January 2003, the FASB issued FASB Interpretation No. 46 ("FIN46"), "Consolidation of Variable Interest Entities, an Interpretation of ARB No. 51," which was subsequently revised in December, 2003. Gateway has adopted FIN 46 and applied its requirements to all Project Partnerships in which Gateway holds an interest. Generally, a variable interest entity, or VIE, is an entity with one or more of the following characteristics, (a) the total equity investment at risk is not sufficient to permit the entity to finance its activities without additional subordinated financial support; (b) as a group the holders of the equity investment at risk lack (i) the ability to make decisions about an entity's activities through voting or similar rights, (ii) the obligation to absorb the expected losses of the entity; or (c) the equity investors have voting rights that are not proportional to their economic interests and substantially all of the entity's activities either involve, or are conducted on behalf of, an investor that has disproportionately few voting rights. FIN 46 requires a VIE to be consolidated in the financial statements of the entity that is determined to be the primary beneficiary of the VIE. The primary beneficiary, as is applicable to Gateway's circumstances, is the party in the Project Partnership equity group that is most closely associated with the Project Partnership.



## NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (continued):

Gateway holds variable interests in 78 VIEs, which consist of Project Partnerships, which Gateway is not the primary beneficiary. Gateway's maximum exposure to loss as a result of its involvement with unconsolidated VIEs is limited to Gateway's recorded investments in and receivables from those VIEs, which is approximately \$620,184 at March 31, 2006. Gateway may be subject to additional losses to the extent of any financial support that Gateway voluntarily provides to those Project Partnerships in the future.

### Cash and Cash Equivalents

It is Gateway's policy to include short-term investments with an original maturity of three months or less in Cash and Cash Equivalents. Short-term investments are comprised of money market mutual funds.

### Accounts Receivable

Accounts receivable consists of tenant receivables. Tenant receivables are recorded when billed. An allowance for doubtful accounts has not been considered necessary based on historical loss experience. An account is considered past due when payment has not been rendered within thirty days of its due date. Uncollectible receivables are charged to rental revenue when project management has determined that collection efforts will not be successful.

### Capitalization and Depreciation

Land, buildings and improvements are recorded at cost and Gateway provides for depreciation using the modified accelerated cost recovery system method for financial and tax reporting purposes in amounts adequate to amortize costs over the lives of the applicable assets as follows:

Buildings	27-1/2 years
Equipment	7 years

Assets which meet certain specific criteria are classified as property held for sale as of the balance sheet date. The Village Apartments of Divernon meet such criteria as of March 31, 2006. Accordingly its balance sheet amounts are presented as held for sale on the consolidated balance sheet as of March 31, 2006. Gateway considered presentation as discontinued operations in the consolidated statement of operations and consolidated statement of cash flows, however, as the results of operations and cash flows of Village Apartments of Divernon are not significant to Gateway as a whole, such discontinued operations presentation is not made. See Note 9 - Subsequent Events, for a further discussion regarding the sale of this Project Partnership subsequent to March 31, 2006.

Expenditures for maintenance and repairs are charged to expense as incurred. Upon disposal of depreciable property, the appropriate property accounts are reduced by the related costs and accumulated depreciation. The resulting gains and losses are reflected in the statement of income.

### Rental Income

Rental income, principally from short-term leases on the Combined Entity's apartment units, is recognized as income under the accrual method as the rents become due.

### Concentrations of Credit Risk

Financial instruments which potentially subject Gateway to concentrations of credit risk consist of cash investments in a money market mutual fund that is a wholly-owned subsidiary of Raymond James Financial, Inc.

### Use of Estimates in the Preparation of Financial Statements

The preparation of financial statements in conformity with generally accepted accounting principles requires the use of estimates that affect certain reported amounts and disclosures. These estimates are based on management's knowledge and

experience. Accordingly, actual results could differ from these estimates.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (continued):

Investment in Securities

Gateway applies Statement of Financial Accounting Standards No. 115, Accounting for Certain Investments in Debt and Equity Securities ("FAS 115"). Under FAS 115, Gateway is required to categorize its debt securities as held-to-maturity, available-for-sale or trading securities, dependent upon Gateway's intent in holding the securities. Gateway's intent is to hold all of its debt securities (U. S. Government Security Strips) until maturity and to use these reserves to fund Gateway's ongoing operations. Interest income is recognized ratably on the U. S. Government Strips using the effective yield to maturity.

Income Taxes

No provision for income taxes has been made in these financial statements, as income taxes are a liability of the partners rather than of Gateway.

Reclassifications

For comparability, certain 2004 and 2005 amounts have been reclassified, where appropriate to conform with the financial statement presentation used in 2006.

NOTE 3 - INVESTMENT IN SECURITIES:

As of March 31, 2006 the Balance Sheet included no Investments in Securities. The remaining U.S. Treasury Security Strips were redeemed for their face value of \$142,000 in August 2004.

NOTE 4 - RELATED PARTY TRANSACTIONS:

The Payable to General Partners primarily represents the asset management fees owed to the General Partners at the end of the period. It is unsecured, due on demand and, in accordance with the limited partnership agreement, non-interest bearing. Within the next 12 months, the Managing General Partner does not intend to demand payment on the portion of Asset Management Fees payable classified as long-term on the Balance Sheet.

The General Partners and affiliates are entitled to compensation and reimbursement for costs and expenses as follows:

Asset Management Fee - The Managing General Partner is entitled to an annual asset management fee equal to 0.45% of the aggregate cost of Gateway's interest in the projects owned by the Project Partnerships. The asset management fee will be paid only after all other expenses of Gateway have been paid. These fees are included in the Statements of Operations. Totals incurred for the years ended March 31, 2006, 2005 and 2004 were \$464,115, \$476,680 and \$479,165 respectively.

General and Administrative Expenses - The Managing General Partner is reimbursed for general and administrative expenses of Gateway on an accountable basis. These expenses are included in the Statements of Operations. Totals incurred for the years ended March 31, 2006, 2005 and 2004 were \$173,378, \$116,631 and \$117,118 respectively.

NOTE 5 - RENTAL PROPERTY:

A summary of the rental property is as follows at December 31, 2005:

	Cost	Accumulated Depreciation	Book Value
	-----	-----	-----
Land	\$ 32,000	\$ 0	\$ 32,000
Buildings	961,171	573,112	388,059
Furniture and Appliances	44,826	38,187	6,639
	-----	-----	-----
Net Book Value	\$1,037,997	\$611,299	\$426,698
	=====	=====	=====

NOTE 5 - RENTAL PROPERTY (continued):

A summary of the rental property is as follows at December 31, 2004:

	Cost	Accumulated Depreciation	Book Value
	-----	-----	-----
Land	\$ 47,000	\$ 0	\$ 47,000
Buildings	1,439,355	804,489	634,866
Furniture and Appliances	54,290	51,366	2,924
	-----	-----	-----
Net Book Value	\$1,540,645	\$855,855	\$684,790
	=====	=====	=====

NOTE 6 - MORTGAGE NOTE PAYABLE:

The mortgage note payable for Sparta is the balance due on the note dated December 1, 1998 in the amount of \$827,361. The loan is at a stated interest rate of 6.125% for a period of 50 years, the loan also contains a provision for an interest subsidy which reduces the effective interest rate to 2.325%. At December 31, 2005 the development was in compliance with the terms of the subsidy agreement and is receiving the reduced rate which makes the monthly payments \$1,925.75.

Expected maturities of the mortgage note payable are as follows:

Year Ending	Amount
-----	-----
12/31/06	5,148
12/31/07	5,263
12/31/08	5,381
12/31/09	5,501
12/31/10	5,624
Thereafter	785,964
	-----
Total	\$ 812,881
	=====

The mortgage note payable for Divernon is classified on the consolidated balance sheet as of March 31, 2006 as Liabilities related to Property held for sale and is the balance due on the note dated October 2, 1989 in the amount of \$416,113. The loan is at a stated interest rate of 8.75% for a period of 50 years, the loan also contains a provision for an interest subsidy which reduces the effective interest rate to 2.35%.

On November 1, 2005, Rural Development, the holder of the note, suspended mortgage payments until further notice. Interest is still being accrued from the time of the suspension. Subsequent to year-end, Gateway sold its interest in the Village Apartments of Divernon.

Expected maturities of the mortgage note payable are as follows:

Year Ending	Amount
-----	-----
12/31/06	0
12/31/07	0
12/31/08	0
12/31/09	0
12/31/10	0
Thereafter	398,904
	-----
Total	\$ 398,904
	=====



NOTE 7 - TAXABLE INCOME (LOSS):

The following is a reconciliation between Net Loss as described in the financial statements and the Partnership loss for tax purposes:

	2006 ----	2005 ----	2004 ----
Net Loss per Financial Statements	\$ (378,769)	\$ (1,018,200)	\$ (55,577)
Equity in Losses of Project Partnerships for tax purposes in excess of losses for financial statement purposes	(905,444)	(378,427)	(225,098)
Losses suspended for financial reporting purposes	(1,998,796)	(1,984,370)	(1,355,991)
Adjustments to convert March 31, fiscal year end to December 31, taxable year end	219,027	58,355	17,867
Additional gain on sale for tax purposes	999,397	0	0
Items Expensed for Financial Statement purposes not expensed for Tax purposes:			
Asset Management Fee	466,433	(356,406)	186,980
Amortization Expense	12,885	13,644	12,913
Miscellaneous Income	(89,491)	(133,949)	(83,682)
Capital Loss	0	0	(11,581)
	-----	-----	-----
Partnership loss for tax purposes as of December 31	\$(1,674,758) =====	\$(3,799,353) =====	\$(1,514,169) =====
	December 31, 2005	December 31, 2004	December 31, 2003
	-----	-----	-----
Federal Low Income Housing Tax Credits (Unaudited)	\$ 0 =====	\$ 0 =====	\$ 51,799 =====

The Partnership's Investment in Project Partnerships is approximately \$27,694,575 higher for financial reporting purposes than for tax return purposes because (i) annual tax depreciation expense is higher than financial depreciation, (ii) certain expenses are not deductible for tax return purposes and (iii) losses are suspended for financial purposes but not for tax return purposes.

The differences in the assets and liabilities of the Fund for financial reporting purposes and tax reporting purposes for the year ended March 31, 2006 are as follows:

	Financial Reporting Purposes	Tax Reporting Purposes	Differences
Investments in Local Limited Partnerships	\$ 620,184	\$(26,903,324)	\$27,523,508
Other Assets	\$ 1,434,515	\$ 758,546	\$ 675,969
Liabilities	\$ 5,271,791	\$ 21,468	\$ 5,250,323

NOTE 8 - INVESTMENTS IN PROJECT PARTNERSHIPS:

As of March 31, 2006, the Partnership had acquired a 99% interest in the profits, losses and tax credits as a limited partner in 78 Project Partnerships, excluding the Combined Entities, which own and operate government assisted multi-family housing complexes.

Cash flows from operations are allocated according to each Partnership agreement. Upon dissolution proceeds will be distributed according to each Partnership agreement.

The following is a summary of Investments in Project Partnerships, excluding the Combined Entities at March 31, 2006:

	MARCH 31, 2006 -----	MARCH 31, 2005 -----
Capital Contributions to Project Partnerships and purchase price paid for limited partner interests in Project Partnerships	\$ 17,228,138	\$ 17,706,016
Cumulative equity in losses of Project Partnerships (1)	(17,245,840)	(17,607,190)
Cumulative distributions received from Project Partnerships	(771,541)	(783,455)
	-----	-----
Investment in Project Partnerships before Adjustments	(789,243)	(684,629)
Excess of investment cost over the underlying assets acquired:		
Acquisition fees and expenses	2,176,055	2,207,576
Accumulated amortization of acquisition fees and expenses	(766,628)	(584,810)
	-----	-----
Investments in Project Partnerships	\$ 620,184 =====	\$ 938,137 =====

(1) In accordance with the Partnership's accounting policy to not carry Investments in Project Partnerships below zero, cumulative suspended losses of \$19,655,193 for the year ended March 31, 2006 and cumulative suspended losses of \$18,592,904 for the year ended March 31, 2005 are not included.

The Partnership's equity as reflected by the Project Partnerships of \$(21,204,017) differs from the Partnership's Investments in Project Partnerships before acquisition fees and expenses and amortization of \$(789,243), primarily because of suspended losses on the Partnership's books.

NOTE 8 - INVESTMENTS IN PROJECT PARTNERSHIPS (continued):

In accordance with the Partnership's policy of presenting the financial information of the Project Partnerships, excluding the Combined Entities beginning on the date of combination, on a three month lag, below is the summarized financial information for the Series' Project Partnerships as of December 31 of each year:

	2005 ----	2004 ----	2003 ----
SUMMARIZED BALANCE SHEETS			
Assets:			
Current assets	\$ 8,866,220	\$ 9,373,440	\$ 9,728,256
Investment properties, net	54,721,793	59,172,763	62,236,576
Other assets	476,710	490,196	85,771
	-----	-----	-----
Total assets	\$64,064,723	\$69,036,399	\$72,050,603
	=====	=====	=====
Liabilities and Partners' Equity:			
Current liabilities	\$ 3,673,308	\$ 3,531,551	\$ 3,611,898
Long-term debt	83,731,653	87,638,861	87,934,669
	-----	-----	-----
Total liabilities	87,404,961	91,170,412	91,546,567
	-----	-----	-----
Partners' equity			
Limited Partner	(21,204,017)	(20,002,194)	(17,517,241)
General Partners	(2,136,221)	(2,131,819)	(1,978,723)
	-----	-----	-----
Total Partners' equity	(23,340,238)	(22,134,013)	(19,495,964)
	-----	-----	-----
Total liabilities and partners' equity	\$64,064,723	\$69,036,399	\$72,050,603
	=====	=====	=====
SUMMARIZED STATEMENTS OF OPERATIONS			
Rental and other income	\$17,514,169	\$16,991,124	\$16,693,028
Expenses:			
Operating expenses	9,322,311	9,301,845	9,016,473
Interest expense	6,997,036	6,613,496	6,764,573
Depreciation and amortization	3,322,115	3,455,156	3,436,960
	-----	-----	-----
Total expenses	19,641,462	19,370,497	19,218,006
	-----	-----	-----
Net loss	\$(2,127,293)	\$(2,379,373)	\$(2,524,978)
	=====	=====	=====
Other partners' share of net loss	\$ (21,273)	\$ (23,794)	\$ (24,304)
	=====	=====	=====
Partnerships' share of net loss	\$(2,106,020)	\$(2,355,579)	\$(2,500,674)
Suspended losses	1,998,796	1,984,370	2,272,953
	-----	-----	-----
Equity in Income (Loss) of Project Partnerships	\$ (107,224)	\$ (371,209)	\$ (227,721)
	=====	=====	=====

Two of the Project Partnerships, Keysville, L.P. and Rivermeade Associates sold their properties during fiscal year 2006. Gateway received sale proceeds totaling \$604,258 which were distributed in December 2005 to the Limited Partners, less \$4,000 in legal expenses, at \$23.47 per limited partnership unit. The remaining \$224 of this distribution is shown as a Distribution Payable on the Balance Sheet. As disclosed on the Statement of Operations, Gateway reported a \$598,499 gain on these sales transactions.

During fiscal year 2004, two of the Project Partnerships, Clayfed Apartments, Ltd. and Westside Apartments, Ltd., sold their property in July 2003 and subsequently liquidated. The sale of the properties resulted in a gain allocated to Gateway of \$769,311. Gateway received sale proceeds totaling \$674,675, of which \$672,675 were distributed to the Limited Partners at \$26.29 per limited partnership unit.

NOTE 8 - INVESTMENTS IN PROJECT PARTNERSHIPS (continued):

As of December 31, 2005, the largest Project Partnership constituted 7.6% and 7.5% of the consolidated total assets and consolidated total revenues. As of December 31, 2004, the largest Project Partnership constituted 7.4% and 7.7% of the consolidated total assets and consolidated total revenues.

NOTE 9 - SUBSEQUENT EVENTS:

Subsequent to Gateway's year-end, Gateway sold its Project Partnership investment in Village Apartments of Divernon. The sale of this Project Partnerships' assets will be reflected in the financial statements for the year ended March 31, 2007. Although Gateway estimates that it will not receive any net proceeds from the sale of this Project Partnership, Gateway estimates a net gain of approximately \$130,000 will be recognized in fiscal year 2007 as a result of the sale transaction.

Also subsequent to this year-end, the following fourteen Project Partnerships were actively listed for sale on a commercial marketing website: Laynecrest, Martindale, Fortville II, Summitville, Limestone Estates, Middleport, Morgantown, Robinhood Apartments, Skyview Terrace, Hunters Ridge, Centralia II, Fairview South, Southwood Apartments, and Village Apartments of Sparta.

Subsequent to Gateway's year-end, a casualty loss due to a fire was experienced at the Meadows Project Partnership. One ten unit building in this four building apartment project suffered significant damage which may ultimately, once the damage can be completely assessed, be considered to be a total loss of that building. The Project Partnership maintained casualty insurance and the insurance carrier has been notified. Gateway's investment balance in this Project Partnership as of March 31, 2006 was \$0, therefore, Gateway does not expect to record any loss in its financial statements in fiscal year 2007 as a result of this event.

NOTE 10 - SELECTED QUARTERLY FINANCIAL DATA (UNAUDITED):

<u>Year 2006</u>	<u>Quarter 1</u> <u>6/30/2005</u>	<u>Quarter 2</u> <u>9/30/2005</u>	<u>Quarter 3</u> <u>12/31/2005</u>	<u>Quarter 4</u> <u>3/31/2006</u>
Total Revenues	\$ 63,273	\$ 49,092	\$ 62,920	\$ 52,098
Net Income (Loss)	\$(182,951)	\$ 398,411	\$(246,930)	\$(347,299)
Earnings (Loss) Per Weighted Average Beneficial Assignee Certificates Outstanding	\$ (7.08)	\$ 12.77	\$ (9.65)	\$ (13.59)
<u>Year 2005</u>	<u>Quarter 1</u> <u>6/30/2004</u>	<u>Quarter 2</u> <u>9/30/2004</u>	<u>Quarter 3</u> <u>12/31/2004</u>	<u>Quarter 4</u> <u>3/31/2005</u>
Total Revenues	\$ 89,870	\$ 33,342	\$ 44,207	\$ 48,953
Net Income (Loss)	\$ (89,754)	\$(378,351)	\$ 61,992	\$(612,087)
Earnings (Loss) Per Weighted Average Beneficial Assignee Certificates Outstanding	\$ (3.48)	\$ (14.65)	\$ 2.40	\$ (23.70)

Schoonover Boyer & Associates  
383 North Front Street  
Columbus, OH 43215  
PHONE: 614-888-8000  
FAX: 614-888-8634

## INDEPENDENT AUDITORS' REPORT

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The Partners  
Crosstown Seniors Limited Dividend  
Housing Association Limited Partnership  
(A Michigan Limited Partnership)  
Kalamazoo, Michigan

We have audited the accompanying balance sheets of Crosstown Seniors Limited Dividend Housing Association Limited Partnership, (a Michigan Limited Partnership), as of December 31, 2005 and 2004, and the related statements of operations, partners' equity/(deficit) and cash flows for the years then ended. These financial statements are the responsibility of the Partnership's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the Standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Partnership has determined that it is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Partnership's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Crosstown Seniors Limited Dividend Housing Association Limited Partnership, as of December 31, 2005 and 2004, and the results of its operations, changes in partners' equity/(deficit) and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

/s/ Schoonover Boyer & Associates

Columbus, Ohio  
January 26, 2006

Item 9. Changes in and disagreements with Accountants on Accounting and Financial Disclosures

On or about January 3, 2006, Spence, Marston, Bunch, Morris & Co., Certified Public Accountants, P.C. ("SMBM") resigned as the principal independent accountant of Gateway. As explained to the Registrant by SMBM, the Registrant and its two affiliated funds were the only clients of SMBM required to file reports as a public company under the Securities Exchange Act of 1934. SMBM decided to resign due to the economic unfeasibility of providing auditing services to a small number of public company clients.

During the years ended March 31, 2005 and March 31, 2004, and the subsequent interim periods through January 3, 2006, there were no disagreements with SMBM on any matters of accounting principles or practices, financial statement disclosure or auditing scope or procedure, which disagreements, if not resolved to the satisfaction of SMBM, would have caused them to make reference to the subject matter of the disagreement in connection with their report. In addition, none of the reportable events listed in Item 304(a)(1)(v) of Regulation S-K occurred with respect to the Registrant during the Registrant's two most recent fiscal years and the subsequent interim periods preceding the resignation of SMBM.

The audit reports of SMBM on the financial statements of the Registrant for the two most recent fiscal years ended March 31, 2005 and March 31, 2004 did not contain any adverse opinion or disclaimer of opinion, nor were they qualified or modified as to uncertainty, audit scope or accounting principles.

On January 11, 2006, Gateway engaged the firm of Reznick Group, P.C. ("Reznick") as its independent registered public accounting firm. The engagement was authorized by Gateway's audit committee. From January 1, 2004 to such date of engagement, neither Gateway nor anyone on behalf of Gateway consulted with Reznick regarding any matter requiring disclosure under Item 304(a)(2) of Regulation S-K.

Item 9a. Controls and Procedures

Within 90 days prior to the filing of this report, under the supervision and with the participation of the Partnership's management, including the Partnership's chief executive and chief financial officer of the Partnership's Managing General Partner, an evaluation of the effectiveness of the Partnership's disclosure controls and procedures (as defined in Rule 13a-14(c) under the Securities Exchange Act of 1934) was performed. Based on this evaluation, such officers have concluded that the Partnership's disclosure controls and procedures were effective as of the date of that evaluation in alerting them in a timely manner to material information relating to the Partnership required to be included in this report and the Partnership's other reports that it files or submits under the Securities Exchange Act of 1934. There were no significant changes in the Partnership's internal controls or in other factors that could significantly affect these controls subsequent to the date of their evaluation.

Item 9B. Other Information

None.

### PART III

#### Item 10. Directors and Executive Officers of Gateway

Gateway has no directors or executive officers. Gateway's affairs are managed and controlled by the Managing General Partner. Certain information concerning the directors and officers of the Managing General Partner are set forth below.

##### Raymond James Tax Credit Funds, Inc. - Managing General Partner

Raymond James Tax Credit Funds, Inc. is the Managing General Partner and is responsible for decisions pertaining to the acquisition and sale of Gateway's interests in the Project Partnerships and other matters related to the business operations of Gateway. Certain officers and directors of the Managing General Partner are as follows:

Ronald M. Diner, age 62, is President and a Director. He is a Senior Vice President of Raymond James & Associates, Inc., with whom he has been employed since June 1983. Mr. Diner received an M.B.A. degree from Columbia University (1968) and a B.S. degree from Trinity College (1966). Prior to joining Raymond James & Associates, Inc., he managed the broker-dealer activities of Pittway Real Estate, Inc., a real estate development firm. He was previously a loan officer at Marine Midland Realty Credit Corp., and spent three years with Common, Dann & Co., a New York regional investment firm. He has served as a member of the Board of Directors of the Council for Rural Housing and Development, a national organization of developers, managers and syndicators of properties developed under the RECD Section 515 program, and is a member of the Board of Directors of the Florida Council for Rural Housing and Development. Mr. Diner has been a speaker and panel member at state and national seminars relating to the low-income housing credit.

J. Davenport Mosby, age 50, is a Vice President and a Director. He is a Senior Vice President of Raymond James & Associates, Inc. which he joined in 1982. Mr. Mosby received an MBA from the Harvard Business School (1982). He graduated magna cum laude with a BA from Vanderbilt University where he was elected to Phi Beta Kappa.

##### Raymond James Partners, Inc. -

Raymond James Partners, Inc. has been formed to act as the general partner, with affiliated corporations, in limited partnerships sponsored by Raymond James Financial, Inc. Raymond James Partners, Inc. is a general partner for purposes of assuring that Gateway and other partnerships sponsored by affiliates have sufficient net worth to meet the minimum net worth requirements of state securities administrators.

Information regarding the officers and directors of Raymond James Partners, Inc., is included on pages 51 and 52 of the Prospectus under the section captioned "Management" (consisting of pages 49 through 52 of the Prospectus) which is incorporated herein by reference.

#### Item 11. Executive Compensation

Gateway has no directors or officers.

#### Item 12. Security Ownership of Certain Beneficial Owners and Management

Neither of the General Partners, nor their directors and officers, own any units of the outstanding securities of Gateway as of March 31, 2006.

Gateway is a Limited Partnership and therefore does not have voting shares of stock. To the knowledge of Gateway, no person owns of record or beneficially, more than 5% of Gateway's outstanding units.

### Item 13. Certain Relationships and Related Transactions

Gateway has no officers or directors. However, various kinds of compensation and fees are payable to the General Partners and their affiliates during the organization and operations of Gateway. Additionally, the General Partners will receive distributions from Gateway if there is cash available for distribution or residual proceeds as defined in the Partnership agreement. The amounts and kinds of compensation and fees are described on pages 13 to 15 of the Prospectus under the caption "Management Compensation", which is incorporated herein by reference. See Note 4 of Notes to Financial Statements in Item 8 of this Annual Report on Form 10-K for amounts accrued or paid to the General Partners and their affiliates during the years ended March 31, 2006, 2005 and 2004.

The Payable to General Partners primarily represents the asset management fees owed to the General Partners at the end of the period. It is unsecured, due on demand and, in accordance with the limited partnership agreement, non-interest bearing. Within the next 12 months, the Managing General Partner does not intend to demand payment on the portion of Asset Management Fees payable classified as long-term on the Balance Sheet.

The General Partners and affiliates are entitled to compensation and reimbursement for costs and expenses as follows:

Asset Management Fee - The Managing General Partner is entitled to an annual asset management fee equal to 0.45% of the aggregate cost of Gateway's interest in the projects owned by the Project Partnerships. The asset management fee will be paid only after all other expenses of Gateway have been paid. These fees are included in the Statements of Operations. Totals incurred for the years ended March 31, 2006, 2005 and 2004 were \$464,115, \$476,680, and \$479,165, respectively.

General and Administrative Expenses - Raymond James Tax Credit Funds, Inc., the Managing General Partner, is reimbursed for general and administrative expenses of Gateway on an accountable basis. These expenses are included in the Statements of Operations. Totals incurred for the years ended March 31, 2006, 2005 and 2004 were \$173,378, \$116,631, and \$117,118, respectively.

### Item 14. Principal Accounting Fees & Services

The aggregate fees billed by the Partnership's principal accounting firm, Reznick Group, P.C., for professional services rendered for the audit of the annual financial statements and review of financial statements included in the Partnership's quarterly report on Form 10-Q for the year ended March 31, 2006 was \$26,000. The aggregate fees billed by the Partnership's former principal accounting firm, Spence, Marston, Bunch, Morris and Co., during fiscal year 2006 for review of certain quarterly reports on Form 10-Q were \$1,400.

The aggregate fees billed by Spence, Marston, Bunch, Morris and Co., for professional services rendered for the audit of the annual financial statements and review of financial statements included in the Partnerships quarterly reports on Form 10-Q for the year ended March 31, 2005 was \$16,650.

Tax - During fiscal 2006 and 2005, Spence, Marston, Bunch, Morris & Co. was engaged to prepare the Partnership's federal tax return, for which they billed \$5,500 and \$5,000 for 2006 and 2005, respectively.

Other Fees - The Company's Audit Committee Charter requires that the Committee approve the engagement of the principal auditing firm prior to the rendering of any audit or non-audit services. During fiscal 2006, 100% of the audit related and other services and 100% of the tax services were pre-approved by the Audit Committee.



PART IV

Item 15. Exhibits, Financial Statement Schedules and Reports on Form 8-K

a.(1) Financial Statements

(2) Financial Statement Schedules -

Schedule III - Real Estate and Accumulated Depreciation of Property Owned by Project Partnerships

All other schedules are omitted because they are not applicable or not required, or because the required information is shown either in the financial statements or in the notes thereto.

(3) Exhibit Index -

The following are included with Form S-11, Registration No. 33-18142 and amendments and supplements thereto previously filed with the Securities and Exchange Commission.

(b) Exhibit Listing

<u>Exhibit Number</u>	<u>Description</u>
3.1	Amended Certificate of Limited Partnership of Gateway Tax Credit Fund, Ltd. (Filed as an Exhibit to Registration Statement on Form S-11, File No. 33-18142 and incorporated herein by reference.)
4.1	The form of Partnership Agreement of the Partnership (included as Exhibit "A" to the Prospectus and incorporated herein by reference.)
16	Letter of Spence, Marston, Bunch, Morris and Co. (filed as Exhibit 16 to Report on Form 8-K filed January 12, 2006 and incorporated herein by reference.)
23	The consent of Reznick Group, P.C. (Filed herewith.)
23	The consent of Spence, Marston, Bunch, Morris & Co. (Filed herewith.)
31.1	Certification required by Rule 15d-14(a). (Filed herewith.)
31.2	Certification required by Rule 15d-14(a). (Filed herewith.)
32	Certification required by Rule 15d-14(b). (Filed herewith.)

b. Reports filed on Form 8-K

Item 4.01 Changes in Registrant's Certifying Accountant, Form 8-K (Filed January 12, 2006 and incorporated herein by reference.)

Item 4.01 Changes in Registrant's Certifying Accountant, form 8-K (Filed January 5, 2006 and incorporated herein by reference.)

Item 8.01 Other Events, form 8-K (Filed August 12, 2005 and incorporated herein by reference.)

GATEWAY TAX CREDIT FUND, LTD.  
SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION  
OF PROPERTY OWNED BY PROJECT PARTNERSHIPS INVESTED IN  
AS OF DECEMBER 31, 2005

The following table provides certain summary information regarding the Projects in which Gateway had an interest, excluding Sparta and Divernon, as of December 31, 2005:

Partnership	Location	# of Units	Mortgage Loan Balance
-----	-----	-----	-----
Laynecrest	Medway, OH	48	\$ 1,436,805
Martindale	Union, OH	30	915,775
La Villa Elena	Bernalillo, NM	54	1,435,234
Rio Abajo	Truth or Consequences, NM	42	1,364,203
Fortville II	Fortville, IN	24	657,163
Summitville	Summitville, IN	24	717,734
Suncrest	Yanceyville, NC	40	1,441,146
Brandywine III	Millsboro, DE	32	1,061,509
Concord IV	Perryville, MD	32	1,060,740
Dunbarton Oaks III	Georgetown, DE	32	1,074,752
Federal Manor	Federalburg, MD	32	1,132,712
Laurel Apts.	Laurel, DE	32	1,103,920
Mulberry Hill IV	Easton, MD	16	580,508
Madison	Madison, OH	39	1,162,191
Hannah's Mill	Thomaston, GA	50	1,440,536
Longleaf Apts.	Cairo, GA	36	948,680
Sylacauga Garden	Sylacauga, AL	42	1,379,703
Monroe Family	Monroe, GA	48	1,431,861
Casa Linda	Silver City, NM	41	1,349,935
Laurel Woods	Ashland, VA	40	1,245,492
Crosstown	Kalamazoo, MI	201	3,741,179
Riverside Apts.	Demopolis, AL	40	1,136,507
Brookshire Apts.	McDonough, GA	46	1,360,628
Sandridge Apts.	Fernandina Beach, FL	46	1,287,349
Limestone Estates	Limestone, ME	25	1,125,380
Eagle's Bay	Beaufort, NC	40	1,449,431
Teton View	Rigby, ID	40	1,399,042
Albany	Albany, KY	24	721,674
Burkesville	Burkesville, KY	24	723,980
Scotts Hill	Scotts Hill, TN	12	401,510
Sage	Gallup, NM	44	1,442,027
Claremont	Cascade, ID	16	432,153
Middleport	Middleport, NY	25	929,200
Oakwood Apts.	Columbus, NE	24	771,647
Morgantown	Morgantown, IN	24	774,376
Ashburn Housing	Ashburn, GA	40	1,032,934
Cuthbert Elderly	Cuthbert, GA	32	804,404
Sandhill Forest	Melrose, FL	16	456,182
Oakwood Grove	Crescent City, FL	36	993,311
Hastings Manor	Hastings, FL	24	685,315
Lakewood Apts.	Norfolk, NE	72	2,382,487
Robinhood Apts.	Springfield, TN	48	1,435,312
Skyview Terrace	Springfield, TN	48	1,296,173
Mabank 1988	Mabank, TX	42	1,089,902
Buena Vista	Buena Vista, GA	24	643,705
Woodcroft	Elizabethtown, NC	32	1,132,255
Spring Creek	Quitman, GA	18	481,578
Spring Creek	Cherokee, AL	24	859,950
Milton Elderly	Milton, FL	43	1,060,790
Winder Apartments	Winder, GA	48	1,392,105
Hunters Ridge	Killen, AL	40	1,144,629
Stone Arbor	Madison, NC	40	1,460,099
Greeneville	Greeneville, TN	40	1,180,375
Centralia II	Centralia, IL	24	784,979
Poteau IV	Poteau, OK	32	562,276
Barling	Barling, AR	48	869,013
Booneville	Booneville, AR	48	1,322,973
Augusta	Augusta, KS	66	1,882,678
Meadows	Farmville, VA	40	1,301,535

Kenly Housing	Kenly, NC	48	1,311,879
Fairview South	Athens, TX	44	1,045,135
River Road Apts.	Waggaman, LA	43	1,009,851
Middlefield	Middlefield, OH	36	1,165,758
Floresville	Floresville, TX	40	1,016,414
Mathis Retirement	Mathis, TX	36	856,996
Sabinal Housing	Sabinal, TX	24	592,641
Kingsland Housing	Kingsland, TX	34	828,878
Crestwood Villa II	Crestline, OH	36	1,046,403
Poteau Prop. III	Poteau, OK	19	453,924
Decatur Properties	Decatur, AR	24	758,389
Broken Bow Prop II	Broken Bow, OK	46	1,454,152
Turtle Creek II	Grove, OK	42	1,220,692
Pleasant Valley	Grangeville, ID	32	1,126,426
Hartwell Elderly	Hartwell, GA	24	657,203
Pulaski Village	Pulaski, VA	44	1,362,313
Southwood Apts.	Jacksonville, TX	40	932,957
			-----
			\$ 83,731,653
			=====

GATEWAY TAX CREDIT FUND, LTD.  
SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION  
OF PROPERTY OWNED BY PROJECT PARTNERSHIPS INVESTED IN  
AS OF DECEMBER 31, 2005

The following table provides certain summary information regarding the Projects in which Gateway had an interest, excluding Sparta and Divernon, as of December 31, 2005:

Apartment Properties		Cost At Acquisition		Net Improvements Capitalized Subsequent to Acquisition
Partnership	Land		Buildings, Improvements and Equipment	
Laynecrest	\$ 310,264		\$ 1,533,433	\$ 18,088
Martindale	243,665		928,824	22,382
La Villa Elena	128,000		1,672,703	338,596
Rio Abajo	88,500		1,610,884	220,632
Fortville II	25,000		780,355	5,034
Summitville	30,000		849,511	483
Suncrest	331,988		1,788,595	57,257
Brandywine III	105,508		1,154,434	63,510
Concord IV	120,440		1,198,338	110,104
Dunbarton Oaks III	123,135		1,205,530	94,428
Federal Manor	142,632		1,252,927	93,368
Laurel Apts.	144,680		1,156,847	102,269
Mulberry Hill IV	55,379		652,234	39,896
Madison	60,000		1,378,177	40,498
Hannah's Mill	60,000		1,754,918	(2,132)
Longleaf Apts.	54,700		1,135,966	2,280
Sylacauga Garden	70,000		1,521,755	38,288
Monroe Family	110,000		1,678,673	0
Casa Linda	153,730		1,518,228	130,606
Laurel Woods	96,242		1,301,860	151,534
Crosstown	408,338		5,164,734	745,463
Riverside Apts.	89,250		1,329,102	83,513
Brookshire Apts.	114,500		1,602,613	135,820
Sandridge Apts.	144,000		1,476,180	204,699
Limestone Estates	79,224		1,318,259	23,300
Eagle's Bay	175,735		1,752,762	34,752
Teton View	50,218		972,662	827,211
Albany	49,161		865,007	21,579
Burkesville	44,697		838,328	30,748
Scotts Hill	30,000		465,835	9,818
Sage	196,207		1,616,554	211,952
Claremont	23,500		505,789	105,707
Middleport	18,000		1,132,502	17,350
Oakwood Apts.	96,800		862,439	80,042
Morgantown	15,000		940,191	4,592
Ashburn Housing	35,000		1,265,760	0
Cuthbert Elderly	22,550		1,006,889	(1,144)
Sandhill Forest	28,091		544,545	926
Oakwood Grove	44,712		1,191,986	2,187
Hastings Manor	18,000		839,600	5,603
Lakewood Apts.	207,700		2,754,382	298,742
Robinhood Apts.	50,500		1,752,851	34,669
Skyview Terrace	40,112		1,424,008	93,430
Mabank 1988	57,200		1,210,248	151,885
Buena Vista	11,390		804,816	(1,979)
Woodcroft	82,500		1,402,798	12,135
Spring Creek	33,330		575,656	(1,378)
Spring Creek	20,000		589,739	400,089
Milton Elderly	50,000		1,292,395	52,351
Winder Apartments	73,500		1,692,510	(3,285)
Hunters Ridge	48,275		1,370,214	2,327
Stone Arbor	57,280		1,813,230	3,554
Greeneville	47,258		1,434,138	94,664
Centralia II	36,450		954,070	(14,292)

Poteau IV	33,000	683,016	0
Barling	62,500	1,049,173	41,191
Booneville	32,500	1,650,087	0
Augusta	101,300	2,280,419	0
Meadows	102,342	1,455,858	29,993
Kenly Housing	25,000	1,588,636	107,564
Fairview South	103,909	1,218,102	63,568
River Road Apts.	138,000	1,340,045	102,260
Middlefield	70,700	1,250,957	28,570
Floresville	75,524	1,050,346	186,192
Mathis Retirement	37,127	1,041,038	6,225
Sabinal Housing	18,000	752,263	9,852
Kingsland Housing	30,000	894,081	237,432
Crestwood Villa II	54,000	1,317,395	15,939
Poteau Prop. III	18,350	564,655	0
Decatur Properties	24,300	945,516	0
Broken Bow Prop II	70,000	1,887,868	0
Turtle Creek II	45,000	1,513,446	0
Pleasant Valley	65,227	1,342,952	86,560
Hartwell Elderly	49,800	771,529	0
Pulaski Village	75,000	1,650,373	131,306
Southwood Apts.	46,189	1,153,440	62,173
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	\$ 6,230,109	\$ 98,238,179	\$ 6,302,976
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GATEWAY TAX CREDIT FUND, LTD.  
SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION  
OF PROPERTY OWNED BY PROJECT PARTNERSHIPS INVESTED IN  
AS OF DECEMBER 31, 2005

The following table provides certain summary information regarding the Projects in which Gateway had an interest, excluding Sparta and Divernon, as of December 31, 2005:

Apartment Properties	Gross Amount At Which Carried At December 31, 2005		
Partnership	Land	Buildings, Improvements and Equipment	Total
Laynecrest	\$ 324,659	\$ 1,537,126	\$ 1,861,785
Martindale	251,096	943,775	1,194,871
La Villa Elena	187,734	1,951,565	2,139,299
Rio Abajo	107,245	1,812,771	1,920,016
Fortville II	25,000	785,389	810,389
Summitville	30,000	849,994	879,994
Suncrest	349,456	1,828,384	2,177,840
Brandywine III	30,382	1,293,070	1,323,452
Concord IV	35,899	1,392,983	1,428,882
Dunbarton Oaks III	27,853	1,395,240	1,423,093
Federal Manor	86,281	1,402,646	1,488,927
Laurel Apts	40,971	1,362,825	1,403,796
Mulberry Hill IV	20,761	726,748	747,509
Madison	60,000	1,418,675	1,478,675
Hannah's Mill	60,000	1,752,786	1,812,786
Longleaf Apts.	54,700	1,138,246	1,192,946
Sylacauga Garden	70,000	1,560,043	1,630,043
Monroe Family	110,000	1,678,673	1,788,673
Casa Linda	158,341	1,644,223	1,802,564
Laurel Woods	106,742	1,442,894	1,549,636
Crosstown	600,414	5,718,121	6,318,535
Riverside Apts.	102,229	1,399,636	1,501,865
Brookshire Apts.	142,601	1,710,332	1,852,933
Sandridge Apts.	147,400	1,677,479	1,824,879
Limestone Estates	79,224	1,341,559	1,420,783
Eagle's Bay	181,070	1,782,179	1,963,249
Teton View	87,187	1,762,904	1,850,091
Albany	49,161	886,586	935,747
Burkesville	44,697	869,076	913,773
Scotts Hill	30,000	475,653	505,653
Sage	275,484	1,749,229	2,024,713
Claremont	29,041	605,955	634,996
Middleport	18,000	1,149,852	1,167,852
Oakwood Apts.	98,308	940,973	1,039,281
Morgantown	15,000	944,783	959,783
Ashburn Housing	35,000	1,265,760	1,300,760
Cuthbert Elderly	22,550	1,005,745	1,028,295
Sandhill Forest	28,091	545,471	573,562
Oakwood Grove	44,712	1,194,173	1,238,885
Hastings Manor	18,000	845,203	863,203
Lakewood Apts.	268,767	2,992,057	3,260,824
Robinhood Apts.	50,500	1,787,520	1,838,020
Skyview Terrace	40,112	1,517,438	1,557,550
Mabank 1988	112,306	1,307,027	1,419,333
Buena Vista	11,390	802,837	814,227
Woodcroft	82,500	1,414,933	1,497,433
Spring Creek	33,330	574,278	607,608
Spring Creek	20,000	989,828	1,009,828
Milton Elderly	50,000	1,344,746	1,394,746
Winder Apartments	73,500	1,689,225	1,762,725
Hunters Ridge	48,275	1,372,541	1,420,816
Stone Arbor	57,280	1,816,784	1,874,064
Greeneville	47,258	1,528,802	1,576,060
Centralia II	36,450	939,778	976,228
Poteau IV	33,000	683,016	716,016
Barling	62,500	1,090,364	1,152,864

Booneville	32,500	1,650,087	1,682,587
Augusta	101,300	2,280,419	2,381,719
Meadows	105,846	1,482,347	1,588,193
Kenly Housing	25,000	1,696,200	1,721,200
Fairview South	82,501	1,303,078	1,385,579
River Road Apts.	138,000	1,442,305	1,580,305
Middlefield	70,700	1,279,527	1,350,227
Floresville	76,669	1,235,393	1,312,062
Mathis Retirement	37,127	1,047,263	1,084,390
Sabinal Housing	18,000	762,115	780,115
Kingsland Housing	30,000	1,131,513	1,161,513
Crestwood Villa II	54,000	1,333,334	1,387,334
Poteau Prop. III	18,350	564,655	583,005
Decatur Properties	24,300	945,516	969,816
Broken Bow Prop II	70,000	1,887,868	1,957,868
Turtle Creek II	45,000	1,513,446	1,558,446
Pleasant Valley	65,227	1,429,512	1,494,739
Hartwell Elderly	49,800	771,529	821,329
Pulaski Village	75,000	1,781,679	1,856,679
Southwood Apts.	34,840	1,226,962	1,261,802
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	\$ 6,366,617	\$104,404,647	\$110,771,264
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GATEWAY TAX CREDIT FUND, LTD.  
SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION  
OF PROPERTY OWNED BY PROJECT PARTNERSHIPS INVESTED IN  
AS OF DECEMBER 31, 2005

The following table provides certain summary information regarding the Projects in which Gateway had an interest, excluding Sparta and Divernon, as of December 31, 2005:

Apartment Properties

Partnership -----	Accumulated Depreciation -----	Depreciable Life -----
Laynecrest	\$ 1,255,008	5.0 - 27.5
Martindale	728,638	5.0 - 27.5
La Villa Elena	866,880	5.0 - 40.0
Rio Abajo	759,042	5.0 - 40.0
Fortville II	496,225	5.0 - 27.5
Summitville	540,739	5.0 - 27.5
Suncrest	739,982	5.0 - 40.0
Brandywine III	886,930	5.0 - 27.5
Concord IV	943,659	5.0 - 27.5
Dunbarton Oaks III	940,801	5.0 - 27.5
Federal Manor	953,905	5.0 - 27.5
Laurel Apts	946,097	5.0 - 27.5
Mulberry Hill IV	489,801	5.0 - 27.5
Madison	742,471	5.0 - 33.0
Hannah's Mill	1,000,881	5.0 - 30.0
Longleaf Apts.	660,323	5.0 - 30.0
Sylacauga Garden	1,094,834	5.0 - 27.5
Monroe Family	1,018,998	5.0 - 27.5
Casa Linda	692,842	5.0 - 40.0
Laurel Woods	983,705	5.0 - 27.5
Crosstown	2,802,067	5.0 - 40.0
Riverside Apts.	584,089	5.0 - 40.0
Brookshire Apts.	920,521	5.0 - 30.0
Sandridge Apts.	872,425	5.0 - 30.0
Limestone Estates	893,107	5.0 - 27.5
Eagle's Bay	666,271	5.0 - 50.0
Teton View	996,513	5.0 - 27.5
Albany	451,604	5.0 - 40.0
Burkesville	441,175	5.0 - 40.0
Scotts Hill	251,201	5.0 - 40.0
Sage	730,907	5.0 - 40.0
Claremont	379,958	5.0 - 27.5
Middleport	462,763	5.0 - 27.5
Oakwood Apts.	492,449	5.0 - 40.0
Morgantown	539,833	5.0 - 27.5
Ashburn Housing	686,929	5.0 - 30.0
Cuthbert Elderly	547,993	5.0 - 30.0
Sandhill Forest	244,314	5.0 - 35.0
Oakwood Grove	538,741	5.0 - 35.0
Hastings Manor	356,525	5.0 - 40.0
Lakewood Apts.	1,719,580	5.0 - 30.0
Robinhood Apts.	944,715	5.0 - 50.0
Skyview Terrace	841,717	5.0 - 50.0
Mabank 1988	714,600	5.0 - 35.0
Buena Vista	428,261	5.0 - 30.0
Woodcroft	500,956	5.0 - 50.0
Spring Creek	306,949	5.0 - 40.0
Spring Creek	298,147	5.0 - 30.0
Milton Elderly	694,583	5.0 - 30.0
Winder Apartments	926,272	5.0 - 50.0
Hunters Ridge	490,247	5.0 - 50.0
Stone Arbor	639,226	5.0 - 50.0
Greeneville	914,244	5.0 - 27.5
Centralia II	544,190	5.0 - 27.5
Poteau IV	436,117	5.0 - 25.0
Barling	713,122	5.0 - 25.0
Booneville	1,082,125	5.0 - 25.0



Augusta	1,487,204	5.0 - 25.0
Meadows	927,058	5.0 - 27.5
Kenly Housing	669,863	5.0 - 40.0
Fairview South	864,405	5.0 - 25.0
River Road Apts.	542,637	5.0 - 40.0
Middlefield	624,317	5.0 - 27.5
Floresville	487,656	5.0 - 50.0
Mathis Retirement	349,117	5.0 - 50.0
Sabinal Housing	255,256	5.0 - 50.0
Kingsland Housing	350,191	5.0 - 50.0
Crestwood Villa II	652,765	5.0 - 33.0
Poteau Prop. III	363,893	5.0 - 25.0
Decatur Properties	596,428	5.0 - 25.0
Broken Bow Prop II	1,037,024	5.0 - 25.0
Turtle Creek II	956,125	5.0 - 25.0
Pleasant Valley	824,140	5.0 - 27.5
Hartwell Elderly	430,870	5.0 - 27.5
Pulaski Village	1,081,151	5.0 - 27.5
Southwood Apts.	753,174	5.0 - 25.0
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	\$56,049,471	
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GATEWAY TAX CREDIT FUND, LTD.  
SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION  
OF PROPERTY OWNED BY PROJECT PARTNERSHIPS INVESTED IN  
AS OF DECEMBER 31, 2005

Reconciliation of Land, Building & Improvements current year changes:

Balance at beginning of period -		
December 31, 2004		\$ 114,116,411
Additions during period:		
Acquisitions through foreclosure	0	
Other acquisitions	616,020	
Improvements, etc.	0	
Other	0	
	-----	
		616,020
Deductions during period:		
Cost of retired assets	(3,961,167)	
Other	0	
	-----	
		(3,961,167)
		-----
Balance at end of period -		
December 31, 2005		\$110,771,264
		=====

Reconciliation of Accumulated Depreciation current year changes:

Balance at beginning of period -		
December 31, 2004		\$ 54,943,648
Adjustment to Prior Year's Depreciation		1,842
Accumulated Depreciation of retired		
assets		(2,216,641)
Current year expense		3,320,622
		-----
Balance at end of period -		
December 31, 2005		\$ 56,049,471
		=====

GATEWAY TAX CREDIT FUND, LTD.  
SCHEDULE IV - MORTGAGE LOANS ON REAL ESTATE  
AS OF DECEMBER 31, 2005

The following table provides certain summary information regarding the Projects in which Gateway had an interest, excluding Sparta and Divernon, as of December 31, 2005:

PARTNERSHIP	# OF UNITS	BALANCE	INTEREST RATE	MONTHLY DEBT SERVICE	TERM (YEARS)
-----	-----	-----	-----	-----	-----
Laynecrest	48	\$ 1,436,805	10.63%	\$ 13,193	50
Martindale	30	915,775	9.50%	7,591	50
La Villa Elena	54	1,435,234	9.00%	11,397	50
Rio Abajo	42	1,364,203	9.50%	11,306	50
Fortville II	24	657,163	9.00%	5,214	50
Summitville	24	717,734	9.00%	5,691	50
Suncrest	40	1,441,146	9.00%	11,372	50
Brandywine III	32	1,061,509	9.00%	8,429	50
Concord IV	32	1,060,740	9.50%	8,822	50
Dunbarton Oaks III	32	1,074,752	9.00%	8,270	50
Federal Manor	32	1,132,712	9.00%	8,994	50
Laurel Apts	32	1,103,920	9.50%	9,191	50
Mulberry Hill IV	16	580,508	9.50%	4,822	50
Madison	39	1,162,191	9.50%	9,604	50
Hannah's Mill	50	1,440,536	9.50%	11,920	50
Longleaf Apts.	36	948,680	9.50%	7,852	50
Sylacauga Garden	42	1,379,703	9.00%	10,941	50
Monroe Family	48	1,431,861	9.00%	11,294	50
Casa Linda	41	1,349,935	9.50%	11,167	50
Laurel Woods	40	1,245,492	9.00%	9,677	50
Crosstown	201	3,741,179	7.88%	36,182	30
Riverside Apts.	40	1,136,507	9.25%	8,204	50
Brookshire Apts.	46	1,360,628	8.75%	10,486	50
Sandridge Apts.	46	1,287,349	9.00%	10,071	50
Limestone Estates	25	1,125,380	9.00%	8,910	50
Eagle's Bay	40	1,449,431	8.75%	11,153	50
Teton View	40	1,399,042	8.25%	10,261	50
Albany	24	721,674	9.00%	5,703	50
Burkesville	24	723,980	9.50%	5,996	50
Scotts Hill	12	401,510	8.75%	3,073	50
Sage	44	1,442,027	8.75%	11,087	50
Claremont	16	432,153	9.75%	3,750	50
Middleport	25	929,200	8.75%	7,144	50
Oakwood Apts.	24	771,647	9.50%	6,379	50
Morgantown	24	774,376	9.25%	6,226	50
Ashburn Housing	40	1,032,934	8.75%	7,935	50
Cuthbert Elderly	32	804,404	8.75%	6,189	50
Sandhill Forest	16	456,182	9.00%	3,615	50
Oakwood Grove	36	993,311	9.50%	8,215	50
Hastings Manor	24	685,315	9.00%	5,412	50
Lakewood Apts.	72	2,382,487	8.75%	18,332	50
Robinhood Apts.	48	1,435,312	9.75%	11,031	50
Skyview Terrace	48	1,296,173	8.50%	9,866	50
Mabank 1988	42	1,089,902	8.75%	8,345	50
Buena Vista	24	643,705	9.25%	5,187	50
Woodcroft	32	1,132,255	9.00%	8,912	50
Spring Creek	18	481,578	9.00%	4,591	50
Spring Creek	24	859,950	11.50%	5,223	50
Milton Elderly	43	1,060,790	9.25%	8,547	50
Winder Apartments	48	1,392,105	8.75%	10,709	50
Hunters Ridge	40	1,144,629	9.00%	9,032	50
Stone Arbor	40	1,460,099	9.25%	11,759	50
Greeneville	40	1,180,375	9.25%	9,511	50
Centralia II	24	784,979	8.75%	6,031	50
Poteau IV	32	562,276	9.00%	4,777	50
Barling	48	869,013	9.00%	7,382	50
Booneville	48	1,322,973	8.25%	10,250	50
Augusta	66	1,882,678	8.75%	14,465	50

Meadows	40	1,301,535	8.75%	10,010	50
Kenly Housing	48	1,311,879	8.75%	11,366	50
Fairview South	44	1,045,135	9.50%	8,648	50
River Road Apts.	43	1,009,851	8.75%	9,625	33
Middlefield	36	1,165,758	9.25%	8,579	50
Floresville	40	1,016,414	9.50%	8,466	50
Mathis Retirement	36	856,996	9.50%	7,082	50
Sabinal Housing	24	592,641	9.00%	4,674	50
Kingsland Housing	34	828,878	9.00%	6,554	50
Crestwood Villa II	36	1,046,403	9.00%	8,620	50
Poteau Prop. III	19	453,924	9.00%	3,569	50
Decatur Properties	24	758,389	8.75%	5,801	50
Broken Bow Prop II	46	1,454,152	8.75%	11,110	50
Turtle Creek II	42	1,220,692	9.00%	9,818	50
Pleasant Valley	32	1,126,426	8.75%	8,646	50
Hartwell Elderly	24	657,203	8.75%	5,045	50
Pulaski Village	44	1,362,313	9.25%	10,978	50
Southwood Apts.	40	932,957	8.75%	7,175	50

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\$ 83,731,653  
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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

GATEWAY TAX CREDIT FUND, LTD.  
(A Florida Limited Partnership)  
By: Raymond James Tax Credit Funds, Inc.

Date: July 14 2006

By: /s/ Ronald M. Diner  
Ronald M. Diner  
President

Date: July 14 2006

By: /s/ Jonathan Oorlog  
Jonathan Oorlog  
Vice President and Chief Financial Officer

Date: July 14, 2006

By: /s/ Sandra C. Humphreys  
Sandra C. Humphreys  
Secretary and Treasurer

**EXHIBIT 31.1**

**CERTIFICATIONS\***

I, Ron Diner, certify that:

1. I have reviewed this annual report on Form 10-K of Gateway Tax Credit Fund, Ltd.;
2. Based on my knowledge, this annual report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this annual report;
3. Based on my knowledge, the financial statements, and other financial information include in this annual report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this annual report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and we have:
  - a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this annual report is being prepared;
  - b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this annual report (the "Evaluation Date"); and
  - c) presented in this annual report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):
  - a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and
  - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and
6. The registrant's other certifying officers and I have indicated in this annual report whether there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: July 14, 2006

By: /s/ Ronald M. Diner  
Ronald M. Diner  
President  
Raymond James Tax Credit Funds, Inc.  
(the Managing General Partner)

**EXHIBIT 31.2**

**CERTIFICATIONS\***

I, Jonathan Oorlog, certify that:

1. I have reviewed this annual report on Form 10-K of Gateway Tax Credit Fund, Ltd.;
2. Based on my knowledge, this annual report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this annual report;
3. Based on my knowledge, the financial statements, and other financial information include in this annual report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this annual report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and we have:
  - a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this annual report is being prepared;
  - b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this annual report (the "Evaluation Date"); and
  - c) presented in this annual report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):
  - a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and
  - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and
6. The registrant's other certifying officers and I have indicated in this annual report whether there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: July 14, 2006

By: /s/ Jonathan Oorlog  
Jonathan Oorlog  
Vice President and Chief Financial Officer  
Raymond James Tax Credit Funds, Inc.  
(the Managing General Partner)

**EXHIBIT 32**

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350

We, each hereby certify to the best of our knowledge that the Annual Report of Form 10-K of Gateway Tax Credit Fund, Ltd. for the year ended March 31, 2006 containing the financial statements fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)) and that information contained in the periodic report fairly presents, in all material respects, the financial condition and results of operations of Gateway.

/s/ Ronald M. Diner

President

Raymond James Tax Credit Funds, Inc.

(the Managing General Partner)

July 14, 2006

/s/ Jonathan Oorlog

Vice President and Chief Financial Officer

Raymond James Tax Credit Funds, Inc.

(the Managing General Partner)

July 14, 2006