UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10-Q

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 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 No.)

880 Carillon Parkway, St. Petersburg, Florida 33716
(Address of principal executive offices) (Zip Code)

Registrant's Telephone Number, Including Area Code: (727) 567-1000

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 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.

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 Exchange Act). Yes [ ] No [X]

PART I - Financial Information

Item 1. Financial Statements:

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

	June 30, 2006 (Unaudited)	March 31, 2006 (Audited)
ASSETS		
Current Assets:		
Cash and Cash Equivalents	$ 752,062	$ 758,509
Accounts Receivable	18,283	15,823
Prepaid Insurance	190	190
Assets Held for Sale	0	2,794
Total Current Assets	770,535	777,316
Investments in Project Partnerships, Net	614,455	620,184
Replacement Reserves	19,275	19,231
Non-Current Assets Held for Sale	0	3,626
Rental Property at Cost, Net	416,674	426,698
Property Held for Sale	0	207,644
Total Assets	$ 1,820,939	$ 2,054,699
LIABILITIES AND PARTNERS' EQUITY		
Current Liabilities:		
Payable to General Partners	$ 323,696	$ 270,438
Distribution Payable	224	224
Accounts Payable	6,232	29,984
Accrued Real Estate Taxes	10,138	10,138
Tenant Security Deposits	4,700	4,500
Mortgage Notes Payable - Current	5,148	5,148
Liabilities Related to Property Held for Sale	0	7,291
Total Current Liabilities	350,138	327,723
Long-Term Liabilities:		
Payable to General Partners	3,851,679	3,737,431
Mortgage Notes Payable	807,733	807,733
Liabilities Related to Property Held for Sale	0	398,904
Total Long Term Liabilities	4,659,412	4,944,068
Minority Interest in Local Limited Partnerships	(30,220)	(69,517)
Partners' Equity (Deficit):		
Limited Partners (25,566 units outstanding at June 30 and March 31, 2006)	(3,179,695)	(3,168,987)
General Partners	21,304	21,412
Total Partners' (Deficit)	(3,158,391)	(3,147,575)
Total Liabilities and Partners' Equity (Deficit)	$ 1,820,939	$ 2,054,699

See accompanying notes to financial statements.

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

CONSOLIDATED STATEMENTS OF OPERATIONS
FOR THE THREE MONTHS ENDED JUNE 30,
(Unaudited)

	2006	2005
Revenues:		
Rental	$ 28,005	$ 32,502
Distribution Income	23,901	30,771
Miscellaneous Income	910	0
Total Revenues	52,816	63,273
Expenses:		
Asset Management Fee-General Partner	114,248	119,145
General and Administrative:		
General Partner	54,967	36,723
Other	12,310	20,414
Rental Operating Expenses	31,444	19,741
Interest	1,362	6,757
Depreciation	10,024	14,913
Amortization	0	3,159
Total Expenses	224,355	220,852
Loss Before Equity in Income (Losses) of Project Partnerships and Other Income	(171,539)	(157,579)
Equity in Income (Losses) of Project Partnerships	9,722	(29,887)
Gain on Sale of Partnership Assets	142,988	0
Minority Interest in Losses of Combined Project Partnerships	138	82
Interest Income	7,875	4,433
Net Loss	$ (10,816)	$ (182,951)
Allocation of Net Loss:		
Limited Partners	$ (10,708)	$ (181,121)
General Partners	(108)	(1,830)
	$ (10,816)	$ (182,951)
Net Loss Per Number of Limited Partnership Units	$ (.42)	$ (7.08)
Number of Limited Partnership Units Outstanding	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 THREE MONTHS ENDED JUNE 30, 2006 AND 2005
(Unaudited)

	Limited Partners Equity (Deficit)	General Partners Equity (Deficit)	Total
Balance at March 31, 2005	$ (1,953,424)	$ (215,124)	$ (2,168,548)
Net Loss	(181,121)	(1,830)	(182,951)
Balance at June 30, 2005	$ (2,134,545)	$ (216,954)	$ (2,351,499)
Balance at March 31, 2006	$ (3,168,987)	$ 21,412	$ (3,147,575)
Net Loss	(10,708)	(108)	(10,816)
Balance at June 30, 2006	$ (3,179,695)	$ 21,304	$ (3,158,391)

See accompanying notes to financial statements.

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

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE THREE MONTHS ENDED JUNE 30, 2006 AND 2005
(Unaudited)

	2006	2005
Cash Flows from Operating Activities:		
Net Loss	$ (10,816)	$(182,951)
Adjustments to Reconcile Net Loss to Net Cash Used in Operating Activities:		
Amortization	0	3,159
Depreciation	10,024	14,913
Current Year Equity in (Income) Losses of Project Partnerships	(9,722)	29,887
Gain on Sale of Partnership Assets	(142,988)	0
Minority Interest in Losses of Combined Project Partnerships	(138)	(82)
Distribution Income	(23,901)	(22,690)
Changes in Operating Assets and Liabilities:		
Increase in Accounts Receivable	(2,936)	(1,989)
Increase in Prepaid Insurance	0	(190)
Decrease in Accounts Payable	(23,752)	(968)
Increase in Replacement Reserves	(44)	(46)
Increase (Decrease) in Security Deposits	200	(1,205)
Decrease in Accrued Real Estate Taxes	0	(9,061)
Increase in Payable to General Partners	167,506	114,565
Net Cash Used in Operating Activities	(36,567)	(56,658)
Cash Flows from Investing Activities:		
Distributions Received from Project Partnerships	30,120	49,600
Net Cash Provided by Investing Activities	30,120	49,600
Decrease in Cash and Cash Equivalents	(6,447)	(7,058)
Cash and Cash Equivalents at Beginning of Year	758,509	720,946
Cash and Cash Equivalents at End of Period	$ 752,062	$ 713,888

See accompanying notes to financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2006

NOTE 1 - ORGANIZATION:

Gateway Tax Credit Fund, Ltd. ("Gateway" or "Partnership"), 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 Entities Statements

The accompanying statements include, on a consolidated basis, the accounts of Gateway and Village Apartments of Sparta Limited Partnership ("Consolidated Entity"), a Project Partnership 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 Consolidated Entity. Since the general partner of the Consolidated Entity is now an affiliate of Gateway, these consolidated financial statements include the financial activity of the Consolidated Entity for all periods presented. All significant intercompany balances and transactions have been eliminated. Gateway has elected to report the results of operations of the Consolidated Entity on a 3-month lag basis, consistent with the presentation of financial information of all Project Partnerships.

Prior to fiscal 2007, the Village Apartments of Divernon, ("Divernon") was also included and reported as part of the Consolidated Entities. In April 2006, Gateway sold its Project Partnership investment in Village Apartments of Divernon. Although Gateway estimates it will not receive any net proceeds from the sale of this Project Partnership, Gateway has estimated a net gain of $142,988 which is shown as a Gain on Sale of Partnership Assets on the Consolidated Statement of Operations. This estimate will change as final financial information regarding the Project Partnership becomes available in fiscal year 2007.

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 Consolidated Entity, 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. Refer to Note 6 – Investment in Project Partnerships for further details regarding the components of the Investment in Project Partnership balance.

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. However, Gateway does not guarantee any of the mortgages or other debt of the Project Partnerships.

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 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.

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 Consolidated 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.

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.

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 FIN46 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.

Gateway holds variable interests in 78 VIE’s, 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 VIE’s is limited

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (Continued):

to Gateway's recorded investments in and receivables from those VIE's, which is approximately $614,455 at June 30, 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.

Basis of Preparation

The unaudited financial statements presented herein have been prepared in accordance with the instructions to Form 10-Q and do not include all of the information and note disclosures required by generally accepted accounting principles. These statements should be read in conjunction with the financial statements and notes thereto included with the Partnership's Form 10-K for the year ended March 31, 2006. In the opinion of management these financial statements include adjustments, consisting only of normal recurring adjustments, necessary to fairly summarize the Partnership's financial position and results of operations. The results of operations for the periods may not be indicative of the results to be expected for the year.

NOTE 3 - 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:

	2006	2005
Asset Management Fee	$114,248	$119,145
General and Administrative Expenses	54,967	36,723

NOTE 4 - RENTAL PROPERTY:

A summary of the rental property is as follows at March 31, 2006:

	Cost	Accumulated Depreciation	Book Value
Land	$ 32,000	$ 0	$ 32,000
Buildings	961,171	582,311	378,860
Furniture and Appliances	44,826	39,012	5,814
Net Book Value	$1,037,997	$ 621,323	$ 416,674

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 - 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 March 31, 2006 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 was classified on the consolidated balance sheet as of March 31, 2006 as Liabilities related to Property held for sale and was the balance due on the note dated October 2, 1989 in the amount of $416,113. The loan was at a stated interest rate of 8.75% for a period of 50 years, and the loan also contained a provision for an interest subsidy which reduced the effective interest rate to 2.35%. On November 1, 2005, Rural Development, the holder of the note, suspended mortgage payments. Gateway sold its interest in the Village Apartments of Divernon in April 2006.

NOTE 6 - INVESTMENTS IN PROJECT PARTNERSHIPS:

As of June 30, 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 Consolidated Entity which owns and operates government assisted multi-family housing complexes.

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

Two of the Project Partnerships, Keysville, L.P. and Rivermeade Associates sold their properties during the year ended March 31, 2006. Gateway received sale proceeds totaling $604,258 which were distributed to the Limited Partners, less $4,000 in legal expenses, at $23.47 per limited partnership unit in December 2005. The remaining $224 of this distribution is shown as a Distribution Payable on the Balance Sheet.

In April 2006, Gateway sold its Project Partnership investment in Village Apartments of Divernon. Although Gateway estimates it will not receive any net proceeds from the sale of this Project Partnership, Gateway has estimated a net gain of $142,988 which is shown as a Gain on Sale of Partnership Assets on the Combined Statement of Operations. This estimate will change as final financial information regarding the Project Partnership becomes available in fiscal year 2007.

Subsequent to this quarter-end, Gateway sold its Project Partnership investment in Floresville Square Apartments II. Gateway received approximately $40,000 in net proceeds from this sale transaction subsequent to quarter-end.

NOTE 6 - INVESTMENTS IN PROJECT PARTNERSHIPS (Continued):

The following is a summary of Investments in Project Partnerships, excluding the Consolidated Entity at June 30, 2006:

	JUNE 30, 2006	MARCH 31, 2006
Capital Contributions to Project Partnerships and purchase price paid for limited partner interests in Project Partnerships	$ 17,228,138	$ 17,228,138
Cumulative equity in losses of Project Partnerships (1)	(17,236,119)	(17,245,840)
Cumulative distributions received from Project Partnerships	(777,760)	(771,541)
Investment in Project Partnerships before adjustments	(785,741)	(789,243)
Excess of investment cost over the underlying assets acquired:		
Acquisition fees and expenses	2,165,165	2,176,055
Accumulated amortization of acquisition fees and expenses	(764,969)	(766,628)
Investments in Project Partnerships	$ 614,455	$ 620,184

(1) In accordance with the Partnership's accounting policy to not carry Investments in Project Partnerships below zero, cumulative suspended losses of $19,891,444 for the period ended June 30, 2006 and cumulative suspended losses of $19,655,193 for the year ended March 31, 2006 are not included.

The Partnership’s equity as reflected by the Project Partnerships of $(21,438,903) differs from the Partnerships Investments in Project Partnerships before acquisition fees and expenses and amortization of $(785,741), primarily because of suspended losses on the Partnership’s books.

NOTE 6 - INVESTMENTS IN PROJECT PARTNERSHIPS (Continued):

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

	2006	2005
SUMMARIZED BALANCE SHEETS		
Assets:		
Current assets	$ 8,802,640	$ 9,519,014
Investment properties, net	54,087,138	58,309,463
Other assets	622,040	665,054
Total assets	$63,511,818	$68,493,531
Liabilities and Partners' Equity:		
Current liabilities	$ 3,365,915	$ 3,364,579
Long-term debt	83,371,653	87,638,861
Total liabilities	87,097,568	91,003,440
Partners' equity		
Limited Partner	(21,438,903)	(20,374,329)
General Partners	(2,146,847)	(2,135,580)
Total Partners' equity	(23,585,750)	(22,509,909)
Total liabilities and partners' equity	$63,511,818	$68,493,531
SUMMARIZED STATEMENTS OF OPERATIONS		
Rental and other income	$ 3,222,301	$ 3,231,501
Expenses:		
Operating expenses	2,125,112	2,225,599
Interest expense	495,813	518,343
Depreciation and amortization	830,212	863,454
Total expenses	3,451,137	3,607,396
Net loss	$ (228,836)	$ (375,895)
Other partners' share of net loss	$ (2,307)	$ (3,759)
Partnerships' share of net loss	$ (226,529)	$ (372,136)
Suspended losses	236,251	342,250
Equity in Income (Losses) of Project Partnerships	$ 9,722	$ (29,886)

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations:

Results of Operations

As disclosed on the Statements of Operations, distribution income decreased $6,870 from $30,771 for the three months ended June 30, 2005 to $23,901 for the three months ended June 30, 2006 due to a decrease in cash distributions received from the Project Partnerships. Rental revenue, total expenses, and interest income were comparable for the three months ended June 30, 2006 and 2005.

Equity in Income (Losses) of Project Partnerships for the three months ended June 30, 2006 increased $36,609 from a loss of $29,887 for the three months ended June 30, 2005 to income of $9,722 as a result of a decrease in the Project Partnership' share of net loss in the Project Partnership and an increase in suspended losses. Suspended losses are a direct result of the Investment balance in Project Partnership reaching a zero balance in individual Project Partnerships. Since more Project Partnerships have accumulated enough losses to warrant a zero balance, additional losses are suspended since the Partnership's accounting policy is to not carry Investments in Project Partnerships below zero. When suspended losses exceed the Partnerships' share in net loss, equity is created in the Project Partnerships.

In total, the Partnership had a net loss of $10,816 for the three months ended June 30, 2006. The net loss decreased from the three months ended June 30, 2005 because of the $142,988 gain on the sale of Divernon. After adjusting for amortization, changes in operating assets and liabilities, and the equity in income of Project Partnerships, net cash used in operating activities was $36,567. The net cash provided by investing activities was $30,120 resulting from cash distributions received from Project Partnerships.

Subsequent to June 30, 2006, Gateway sold its Project Partnership investment in Floresville Square Apartments II. The sale of this Project Partnerships' assets will be reflected in the financial statements for the quarter ended September 30, 2006. Gateway estimates that it will receive net proceeds from the sale of this Project Partnership of approximately $40,000.

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, and cash distributed to Gateway from the operations of the Project Partnerships. At June 30, 2006, Gateway had $752,062 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. The General and Administrative operating costs were $54,969 for the three months ending June 30, 2006.

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 June 30, 2006, six of the Project Partnerships holding seven of the properties have been sold and, in accordance with the Gateway partnership agreement, the entire net proceeds received from these sales

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations (Continued):

have been disbursed to the Limited Partners of Gateway. During the quarter, Gateway sold its Project Partnership investment in Village Apartments of Divernon. Gateway did not receive any net proceeds from the sale of this Project Partnership. Gateway has estimated a net gain of $142,988 which is shown as a Gain on Sale of Partnership Assets on the Consolidated Statement of Operations. This estimate will change as final financial information regarding the Project Partnership becomes available in fiscal year 2007. Subsequent to this quarter-end, Gateway sold its Project Partnership investment in Floresville Square Apartments II. Gateway received approximately $40,000 in net proceeds from this sale transaction subsequent to quarter-end.

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 Partnerships objective is to maximize the investors' return wherever possible and ultimately, to liquidate the Project Partnerships.

Currently twelve of the Project Partnerships, Middleport Villa Apartments, Hunters Ridge Apartments, Robinhood Apartments, Skyview Terrace Apartments, Limestone Estates, Village Apartments of Centralia II, Village Apartments of Fortville II, Village Apartments of Morgantown, Village Apartments of Sparta, Village Apartments of Summitville, Fairview South Apartments and Southwood Apartments, were actively listed for sale on a commercial marketing website. Two of the Project Partnerships, Laynecrest Manor Apartments and Meadows of Martindale, were actively listed for sale with a broker.

Item 3. Quantitative and Qualitative Disclosure About Market Risk:

As a small business issuer, no information is required.

Item 4. 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 Managing General Partnership's chief executive and chief financial officers, 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.

PART II – Other Information

Item 1. Legal Proceedings:

None.

Item 1A. Risk Factors:

None.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds:

None.

Item 3. Defaults upon Senior Securities:

None.

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

None.

Item 5. Other Information:

None.

Item 6. Exhibits:

None.

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: August 14, 2006

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

Date: August 14, 2006

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

Date: August 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 quarterly report on Form 10-Q of Gateway Tax Credit Fund, Ltd.;

2. Based on my knowledge, this quarterly 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 quarterly report;

3. Based on my knowledge, the financial statements, and other financial information include in this quarterly 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 quarterly 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 quarterly 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 quarterly report (the "Evaluation Date"); and

c) presented in this quarterly 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 quarterly 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: August 14, 2006

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

EXHIBIT 31.2

CERTIFICATIONS*

I, Jonathan Oorlog, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Gateway Tax Credit Fund, Ltd.;

2. Based on my knowledge, this quarterly 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 quarterly report;

3. Based on my knowledge, the financial statements, and other financial information include in this quarterly 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 quarterly 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 quarterly 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 quarterly report (the "Evaluation Date"); and

c) presented in this quarterly 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 quarterly 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: August 14, 2006

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