

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10-Q

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

For the quarterly period ended June 30, 2007

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) 567-1000

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 ☒ 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 ☒

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

PART I - Financial Information

Item 1. Financial Statements.

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

	June 30, 2007	March 31, 2007
	----- (Unaudited)	----- (Audited)
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$ 969,839	\$ 1,034,929
Accounts Receivable	22,089	22,089
Receivable - Other	150,562	0
Prepaid Insurance	95	95
	-----	-----
Total Current Assets	1,142,585	1,057,113
Investments in Project Partnerships, Net	532,042	541,534
Replacement Reserves	9,637	9,637
Rental Property at Cost, Net	391,839	401,685
	-----	-----
Total Assets	\$ 2,076,103	\$ 2,009,969
	=====	=====
LIABILITIES AND PARTNERS' EQUITY		
Current Liabilities:		
Payable to General Partners	\$ 494,769	\$ 496,513
Distribution Payable	223,464	278,126
Deferred Gain on Sale of Project Partnerships	147,562	0
Accounts Payable - Other	3,635	7,826
Accrued Real Estate Taxes	10,527	10,527
Tenant Security Deposits	4,700	4,700
Mortgage Notes Payable - Current	5,684	5,684
	-----	-----
Total Current Liabilities	890,341	803,376
	-----	-----
Long-Term Liabilities:		
Payable to General Partners	4,289,708	4,187,572
Mortgage Notes Payable	801,749	801,749
	-----	-----
Total Long Term Liabilities	5,091,457	4,989,321
	-----	-----
Minority Interest in Local Limited Partnerships	(30,328)	(30,271)
	-----	-----
Partners' Equity (Deficit):		
Limited Partners (25,566 units outstanding at June 30 and March 31, 2007)	(4,138,105)	(4,014,192)
General Partners	262,738	261,735
	-----	-----
Total Partners' Deficit	(3,875,367)	(3,752,457)
	-----	-----
Total Liabilities and Partners' Equity (Deficit)	\$ 2,076,103	\$ 2,009,969
	=====	=====

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, 2007 and 2006
(Unaudited)

	2007 ----	2006 ----
Revenues:		
Rental	\$ 27,335	\$ 28,005
Distribution Income	38,683	23,901
Miscellaneous Income	0	910
	-----	-----
Total Revenues	66,018	52,816
	-----	-----
Expenses:		
Asset Management Fee-General Partner	102,137	114,248
General and Administrative:		
General Partner	51,792	54,967
Other	10,787	12,310
Rental Operating Expenses	18,663	31,444
Interest	4,549	1,362
Depreciation	9,846	10,024
	-----	-----
Total Expenses	197,774	224,355
	-----	-----
Loss Before Equity in (Losses) Income of Project Partnerships and Other Income	(131,756)	(171,539)
Equity in (Losses) Income of Project Partnerships	(2,355)	9,722
Gain on Sale of Project Partnerships	223,005	142,988
Minority Interest in Losses of Consolidated Project Partnership	57	138
Interest Income	11,379	7,875
	-----	-----
Net Income (Loss)	\$ 100,330	\$ (10,816)
	=====	=====
Allocation of Net Income (Loss):		
Limited Partners	\$ 99,327	\$ (10,708)
General Partners	1,003	(108)
	-----	-----
	\$ 100,330	\$ (10,816)
	=====	=====
Net Income (Loss) Per Number of Limited Partnership Units	\$ 3.89	\$ (.42)
	=====	=====
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, 2007 AND 2006
(Unaudited)

	Limited Partners Equity (Deficit) -----	General Partners Equity (Deficit) -----	Total -----
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) =====
Balance at March 31, 2007	\$ (4,014,192)	\$ 261,735	\$ (3,752,457)
Net Income	99,327	1,003	100,330
Distributions	(223,240) -----	0 -----	(223,240) -----
Balance at June 30, 2007	\$ (4,138,105) =====	\$ 262,738 =====	\$ (3,875,367) =====

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, 2007 AND 2006
(Unaudited)

	2007 ----	2006 ----
Cash Flows from Operating Activities:		
Net Income (Loss)	\$ 100,330	\$ (10,816)
Adjustments to Reconcile Net Income (Loss) to Net Cash Used in Operating Activities:		
Depreciation	9,846	10,024
Current Year Equity in Losses (Income) of Project Partnerships	2,355	(9,722)
Gain on Sale of Project Partnerships	(223,005)	(142,988)
Minority Interest in Losses of Consolidated Project Partnership	(57)	(138)
Distribution Income	(38,683)	(23,901)
Changes in Operating Assets and Liabilities:		
Increase in Accounts Receivable	0	(2,936)
Decrease in Accounts Payable	(4,191)	(23,752)
Increase in Replacement Reserves	0	(44)
Increase in Security Deposits	0	200
Increase in Payable to General Partners	100,392	167,506
Net Cash Used in Operating Activities	(53,013)	(36,567)
Cash Flows from Investing Activities:		
Distributions Received from Project Partnerships	45,819	30,120
Proceeds from Sale of Project Partnerships	225,240	0
Net Cash Provided by Investing Activities	271,059	30,120
Cash Flows from Financing Activities:		
Distributions to Limited Partners	(277,902)	0
Expenses Related to Sale of Project Partnerships	(5,234)	0
Net Cash Used in Financing Activities	(283,136)	0
Decrease in Cash and Cash Equivalents	(65,090)	(6,447)
Cash and Cash Equivalents at Beginning of Year	1,034,929	758,509
Cash and Cash Equivalents at End of Period	\$ 969,839 =====	\$ 752,062 =====
Supplemental non-cash activities:		
Increase in Distribution Payable	\$ 223,240	\$ 0
Distribution to Limited Partners	(223,240)	0
Increase in Receivable - Other	(150,562)	0
Increase in Deferred Gain on Sale of Project Partnerships	147,562	0
Increase in Payable to General Partner	3,000	0
	\$ 0 =====	\$ 0 =====

See accompanying notes to financial statements.

GATEWAY TAX CREDIT FUND, LTD.
(A Florida Limited Partnership)
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2007
(Unaudited)

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 ("Tax Credits"). Gateway will terminate on December 31, 2040 or sooner, in accordance with the terms of the limited partnership agreement (the "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 specified in the 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, 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 2008, 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 Divernon. Although Gateway did not receive any net proceeds from the sale of this Project Partnership, Gateway realized a net gain of \$151,256 on the disposition of this Project Partnership.

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.

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 if any, 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.

Cash and Cash Equivalents

Gateway's policy is 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 of the Consolidated Entity. 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

Expenditures for maintenance and repairs of the Consolidated Entity 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 Operations.

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.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (Continued):

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 whose investment advisor 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 67 VIE's, which consist of Project Partnerships and the Consolidated Entity, 66 of 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 to Gateway's recorded investments in and receivables from those VIE's, which is approximately \$532,042 at June 30, 2007. 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 Gateway's report on Form 10-K for the year ended March 31, 2007. In the opinion of management these financial statements include adjustments, consisting only of normal recurring adjustments, necessary to fairly summarize Gateway'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 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.

NOTE 3 - RELATED PARTY TRANSACTIONS (Continued):

The General Partners and affiliates are entitled to compensation and reimbursement for costs and expenses for the three months ended June 30, as follows:

	2007	2006
	-----	-----
Asset Management Fee	\$102,137	\$114,248
General and Administrative Expenses	51,792	54,967

NOTE 4 - RENTAL PROPERTY:

A summary of the rental property information reported by the Consolidated Entity at March 31, 2007 is as follows:

	Cost	Accumulated Depreciation	Book Value
	-----	-----	-----
Land	\$ 32,000	\$ 0	\$ 32,000
Buildings	968,869	617,604	351,265
Furniture and Appliances	48,945	40,371	8,574
	-----	-----	-----
Net Book Value	\$1,049,814	\$ 657,975	\$ 391,839
	=====	=====	=====

A summary of the rental property information reported by the Consolidated Entity at December 31, 2006 is as follows:

	Cost	Accumulated Depreciation	Book Value
	-----	-----	-----
Land	\$ 32,000	\$ 0	\$ 32,000
Buildings	968,869	609,241	359,628
Furniture and Appliances	48,945	38,888	10,057
	-----	-----	-----
Net Book Value	\$1,049,814	\$ 648,129	\$ 401,685
	=====	=====	=====

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, 2007, Sparta was in compliance with the terms of the subsidy agreement and is receiving the reduced rate which makes the monthly payments \$1,926.

Expected maturities of the mortgage note payable are as follows:

Year Ending	Amount
-----	-----
December 31, 2007	5,684
December 31, 2008	5,808
December 31, 2009	5,936
December 31, 2010	6,065
December 31, 2011	6,198
Thereafter	777,742

Total	<u>\$ 807,433</u>

NOTE 6 - INVESTMENTS IN PROJECT PARTNERSHIPS:

As of June 30, 2007, Gateway holds a 99% interest in the profits, losses and tax credits as a limited partner in 66 Project Partnerships and a general partner interest in Sparta, all together holding 71 properties which own and operate 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.

Gateway at one time held investments in 82 Project Partnerships holding 87 properties. As of June 30, 2007, Gateway has sold or otherwise disposed of its interest in 15 Project Partnerships which held 16 properties. The transactions summaries for the Project Partnerships sold during the past two fiscal years are summarized below:

Fiscal Year 2008 Disposition Activity:

In May 2007, Gateway sold its Project Partnership investment in Laurel Woods Apartments. Gateway received \$223,240 in net proceeds (\$8.73 per limited partnership unit) for the sale of this Project Partnership. The net proceeds are a component of the Distribution Payable on the Balance Sheet as of June 30, 2007, and Gateway recorded a gain on sale in the amount of the net proceeds which is included as a component of the Gain on Sale of Project Partnerships on the Combined Statement of Operations. Subsequent to the June 30, 2007 quarter-end, the net proceeds from this sale transaction were distributed to the Limited Partners.

In April 2007, Gateway sold its Project Partnership investment in Ashton Place Apartments. In accordance with FASB No. 66 ("FASB No. 66") "Accounting for Sales of Real Estate," although the sale of this Project Partnership was consummated on or prior to June 30, 2007, the estimated net proceeds and gain on the sale of this investment is \$147,562 which is being deferred on the Balance Sheet of Gateway as of June 30, 2007 and not recognized in the Statement of Operations until the period that the proceeds are received. The entire balance of the net proceeds due from this sale was subsequently received in August 2007 and will be distributed to the Limited Partners during the third quarter of fiscal year 2008.

Fiscal Year 2007 Disposition Activity:

In February 2007, Gateway sold its Project Partnership investment in Skyview Terrace Apartments. Gateway received \$38,732 in net proceeds (\$1.51 per limited partnership unit) for the sale of this Project Partnership. The net proceeds are a component of the Distribution Payable on the Balance Sheet as of March 31, 2007, and Gateway recorded a gain on sale in the amount of the net proceeds which is included as a component of the Gain on Sale of Project Partnerships on the Combined Statement of Operations. The net proceeds from this sale transaction were distributed to the Limited Partner in May 2007.

In February 2007, Gateway sold its Project Partnership investment in Fairview South Apartments. Gateway received \$50,360 in net proceeds (\$1.97 per limited partnership unit) for the sale of this Project Partnership. The net proceeds are a component of the Distribution Payable on the Balance Sheet as of March 31, 2007 and Gateway recorded a gain on sale in the amount of the net proceeds which is included as a component of the Gain on Sale of Project Partnerships on the Combined Statement of Operation. The net proceeds from this sale transaction were distributed to the Limited Partners in May 2007.

In February 2007, Gateway sold its Project Partnership investment in Southwood Apartments. Gateway received \$42,710 in net proceeds (\$1.67 per limited partnership unit) for the sale of this Project Partnership. The net proceeds are a component of the Distribution Payable on the Balance Sheet as of March 31, 2007 and Gateway recorded a gain on sale in the amount of the net proceeds which is included as a component of the Gain on Sale of Project Partnerships on the Combined Statement of Operations. The net proceeds from this sale transaction were distributed to the Limited Partners in May 2007.

In February 2007, Gateway sold its Project Partnership investment in Robinhood Apartments. Gateway received \$40,383 in net proceeds (\$1.58 per limited partnership unit) for the sale of this Project Partnership. The net proceeds are a component of the Distribution Payable on the Balance Sheet as of March 31, 2007 and Gateway recorded a gain on sale in the amount of the net proceeds which is included as a component of the Gain on Sale of Project Partnerships on the Combined Statement of Operations. The net proceeds from this sale transaction were distributed to the Limited Partners in May 2007.

NOTE 6 - INVESTMENTS IN PROJECT PARTNERSHIPS (Continued):

In January 2007, Gateway sold its Project Partnership investment in Applewood Apartments. Gateway received \$105,538 in net proceeds (\$4.14 per limited partnership unit) for the sale of this Project Partnership. The net proceeds are a component of the Distribution Payable on the Balance Sheet as of March 31, 2007 and Gateway recorded a gain on sale in the amount of the net proceeds which is included as a component of the Gain on Sale of Project Partnerships on the Combined Statement of Operations. The net proceeds from this sale transaction were distributed to the Limited Partners in May 2007.

In October 2006, Gateway sold its Project Partnership investment in Hunters Ridge Apartments. Gateway received \$47,616 in net proceeds (\$1.90 per limited partnership unit) for the sale of this Project Partnership. Gateway recorded a gain on sale in the amount of the net proceeds which is included as a component of the Gain on Sale of Project Partnerships on the Combined Statement of Operations. The net proceeds from this sale transaction were distributed to the Limited Partners in December, 2006.

In October 2006, Gateway sold its Project Partnership investment in Albany Village Apartments. Gateway received \$47,668 in net proceeds (\$1.90 per limited partnership unit) for the sale of this Project Partnership. Gateway recorded a net gain on sale in the amount of the net proceeds which is included as a component of the Gain on Sale of Project Partnerships on the Combined Statement of Operations. The net proceeds from this sale transaction were distributed to the Limited Partners in December, 2006.

In July 2006, Gateway sold its Project Partnership investment in Floresville Square Apartments II. Gateway received \$39,064 in net proceeds (\$1.54 per limited partnership unit) for the sale of this Project Partnership. Gateway recorded a net gain on sale of \$38,210 on the sale of this asset, which is included as a component of the Gain on Sale of Project Partnerships on the Combined Statement of Operations. The net proceeds from this sale transaction were distributed to the Limited Partners in December, 2006.

In April 2006, Gateway disposed of its Project Partnership investment in the Village Apartments of Divernon. Gateway did not receive any net proceeds from the disposition of this Project Partnership investment. Gateway recorded a net gain on sale of \$151,256 on the disposition of this asset, which is included as a component of the Gain on Sale of Project Partnerships on the Consolidated Statement of Operations.

The following is a summary of Investments in Project Partnerships, excluding the Consolidated Entity at June 30, 2007:

	JUNE 30, 2007	MARCH 31, 2007
	-----	-----
Capital Contributions to Project Partnerships and purchase price paid for limited partner interests in Project Partnerships	\$ 15,277,843	\$ 15,720,185
Cumulative equity in losses of Project Partnerships (1)	(15,270,487)	(15,751,914)
Cumulative distributions received from Project Partnerships	(703,359)	(702,417)
	-----	-----
Investment in Project Partnerships before adjustments	(696,003)	(734,146)
Excess of investment cost over the underlying assets acquired:		
Acquisition fees and expenses	1,923,851	1,979,556
Accumulated amortization of acquisition fees and expenses	(695,806)	(703,876)
	-----	-----
Investments in Project Partnerships	\$ 532,042	\$ 541,534
	=====	=====

(1) In accordance with Gateway's accounting policy to not carry Investments in Project Partnerships below zero, cumulative suspended losses of \$18,616,739 for the period ended June 30, 2007 and cumulative suspended losses of \$19,299,452 for the year ended March 31, 2007 are not included.

NOTE 6 - INVESTMENTS IN PROJECT PARTNERSHIPS (Continued):

Gateway's equity as reflected by the Project Partnerships of \$(19,925,953) differs from Gateway's Investments in Project Partnerships before acquisition fees and expenses and amortization of \$(696,003), primarily because of suspended losses on Gateway's books.

In accordance with Gateway's policy of presenting the financial information of the Project Partnerships, excluding the Consolidated Entity beginning on the date of combination, on a three month lag, below is the summarized balance sheets for the Project Partnerships as of March 31 and the summarized statements of operations for the three months ended March 31 of each year:

	2007 ----	2006 ----
SUMMARIZED BALANCE SHEETS		
Assets:		
Current assets	\$ 8,393,357	\$ 8,802,640
Investment properties, net	44,986,806	54,087,138
Other assets	949,671	622,040
	-----	-----
Total assets	\$54,329,834	\$63,511,818
	=====	=====
Liabilities and Partners' Deficit:		
Current liabilities	\$ 3,830,500	\$ 3,365,915
Long-term debt	72,553,721	83,371,653
	-----	-----
Total liabilities	76,384,221	87,097,568
	-----	-----
Partners' deficit		
Limited Partner	(19,925,953)	(21,438,903)
General Partners	(2,128,434)	(2,146,847)
	-----	-----
Total Partners' deficit	(22,054,387)	(23,585,750)
	-----	-----
Total liabilities and partners' deficit	\$54,329,834	\$63,511,818
	=====	=====
SUMMARIZED STATEMENTS OF OPERATIONS		
Rental and other income	\$ 3,057,708	\$ 3,222,301
Expenses:		
Operating expenses	2,052,199	2,125,112
Interest expense	417,317	495,813
Depreciation and amortization	738,403	830,212
	-----	-----
Total expenses	3,207,919	3,451,137
	-----	-----
Net loss	\$ (150,211)	\$ (228,836)
	=====	=====
Other partners' share of net loss	\$ (1,502)	\$ (2,307)
	=====	=====
Partnerships' share of net loss	\$ (148,709)	\$ (226,529)
Suspended losses	146,354	236,251
	-----	-----
Equity in (Losses) Income of Project Partnerships	\$ (2,355)	\$ 9,722
	=====	=====

NOTE 7 - SUBSEQUENT EVENTS:

Subsequent to the June 30, 2007 quarter-end, Gateway sold its partnership interest in Brookshire Apartments and Sandridge Apartments. Gateway received approximately \$494,000 in net proceeds (approximately \$19.32 per unit) from these sale transactions. The proceeds from these sales have been distributed to Limited Partner Unit holders in August 2007.

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 received from the Project Partnerships increased \$14,782 from \$23,901 for the three months ended June 30, 2006 to \$38,683 for the three months ended June 30, 2007. Rental revenue for the three months ended June 30, 2007 was comparable to the three months ended June 30, 2006. Equity in (Losses) Income of Project Partnerships for the three months ended June 30, 2007 decreased \$12,077 from income of \$9,722 for the three months ended June 30, 2006 to a loss of \$2,355.

In total, Gateway had net income of \$100,330 for the quarter-ended June 30, 2007 as compared to a net loss of \$10,816 for the three months ended June 30, 2006. The net income for the three months ended June 30, 2007 is primarily a result of the gain on the sale of Laurel Woods. As compared to the prior year quarter, this gain was larger than the gain on the sale of Divernon that was recorded in the three months ended June 30, 2006. After adjusting for changes in operating assets and liabilities, and the equity in losses of Project Partnerships, net cash used in operating activities was \$53,013. The net cash provided by investing activities was \$271,059 resulting from distributions received from Project Partnerships and sales proceeds received from the sale of Laurel Woods.

In May 2007, Gateway sold its Project Partnership investment in Laurel Woods Apartments. Gateway received \$223,240 in net proceeds and recorded a net gain of \$223,240 on the sale of this property which is included in Gain on Sale of Project Partnerships on the Consolidated Statement of Operations.

In addition, in first quarter 2008, \$147,562 of Gain on Sale of Project Partnerships related to the sale of Ashton Place Apartments was deferred for revenue recognition purposes and is reflected on the Balance Sheet as of June 30, 2007. This Deferred Gain will be recognized on the Statement of Operations in the second quarter of fiscal year 2008.

Subsequent to June 30, 2007, Gateway sold its Project Partnership investments in Sandridge Apartments and Brookshire Apartments. Gateway has received approximately \$494,000 in net proceeds and has estimated a net gain of \$493,765 on the sale of these properties which will be recorded in the quarter ended September 30, 2007.

A distribution of \$716,871, or \$28.04 per limited partnership unit, was made in August 2007 to the Limited Partners with respect to the above referenced sales of Laurel Woods, Sandridge Apartments and Brookshire Apartments.

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 and audit fees 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, 2007, Gateway had \$969,839 of short-term investments (Cash and Cash Equivalents). However, \$223,464 of this balance represents proceeds Gateway received prior to June 30, 2007 from the sale of Project Partnership investments which is for distribution to Limited Partners and which was in fact distributed to Limited Partners subsequent to quarter-end (in August 2007). 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.

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

Exit Strategy

The IRS compliance period for low-income housing tax credit properties is generally 15 years from occupancy following construction or rehabilitation completion. Gateway is currently in the process of disposing of its investments in Project Partnerships, which have reached the end of their fifteen year Tax Credit compliance period. Gateway's objective is to sell Gateway's interest in such assets for fair market value and ultimately, to liquidate the Project Partnerships. Generally, the market for Project Partnerships is limited. Some of the factors which negatively impact the marketability of these projects include (1) requirements by government agencies or the project's debt holder to continue to maintain the property in the low-income housing program, and (2) a mortgage balance of the property which is very near the initial balance as a result of the heavily subsidized debt of the Project Partnerships and lengthy (usually 50 year) amortization periods.

As of June 30, 2007, Gateway holds a limited partner interest in 67 Project Partnerships and a general partner interest in one project partnership (Sparta), together holding 72 properties which own and operate government assisted multi-family housing complexes. All but one of the Project Partnerships have reached the end of their Tax Credit compliance period. As of June 30, 2007, fifteen of the Project Partnerships holding sixteen of the properties have been sold and, in accordance with the Gateway partnership agreement, the entire net proceeds received from these sales either have been or will be distributed to the Limited Partners of Gateway. Gateway at one time held investments in 82 Project Partnerships holding 87 properties. The transaction summaries for the Project Partnerships sold during the past three fiscal years are summarized below:

Fiscal Year 2008 Disposition Activity:

In May 2007, Gateway sold its Project Partnership investment in Laurel Woods Apartments. Gateway received \$223,240 in net proceeds (\$8.73 per limited partnership unit) for the sale of this Project Partnership. The net proceeds are a component of the Distribution Payable on the Balance Sheet as of June 30, 2007, and Gateway recorded a gain on sale in the amount of the net proceeds which is included as a component of the Gain on Sale of Project Partnerships on the Combined Statement of Operations. Subsequent to the June 30, 2007 quarter-end, the net proceeds from this sale transaction were distributed to the Limited Partners.

In April 2007, Gateway sold its Project Partnership investment in Ashton Place Apartments. In accordance with FASB No. 66 ("FASB No. 66") "Accounting for Sales of Real Estate," although the sale of this Project Partnership was consummated on or prior to June 30, 2007, the estimated net proceeds and gain on the sale of this investment is \$147,562 which is being deferred on the Balance Sheet of Gateway as of June 30, 2007 and not recognized in the Statement of Operations until the period that the proceeds are received. The entire balance of the net proceeds due from this sale was subsequently received in August 2007 and will be distributed to the Limited Partners during the third quarter of fiscal year 2008.

Fiscal Year 2007 Disposition Activity:

In February 2007, Gateway sold its Project Partnership investment in Skyview Terrace Apartments. Gateway received \$38,732 in net proceeds (\$1.51 per limited partnership unit) for the sale of this Project Partnership. The net proceeds are a component of the Distribution Payable on the Balance Sheet as of March 31, 2007, and Gateway recorded a gain on sale in the amount of the net proceeds which is included as a component of the Gain on Sale of Project Partnerships on the Combined Statement of Operations. The net proceeds from this sale transaction were distributed to the Limited Partners in May 2007.

In February 2007, Gateway sold its Project Partnership investment in Fairview South Apartments. Gateway received \$50,360 in net proceeds (\$1.97 per limited partnership unit) for the sale of this Project Partnership. The net proceeds are a component of the Distribution Payable on the Balance Sheet as of March 31, 2007 and Gateway recorded a gain on sale in the amount of the net proceeds which is included as a component of the Gain on Sale of Project

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

Partnerships on the Combined Statement of Operations. The net proceeds from this sale transaction were distributed to the Limited Partners in May 2007.

In February 2007, Gateway sold its Project Partnership investment in Southwood Apartments. Gateway received \$42,710 in net proceeds (\$1.67 per limited partnership unit) for the sale of this Project Partnership. The net proceeds are a component of the Distribution Payable on the Balance Sheet as of March 31, 2007 and Gateway recorded a gain on sale in the amount of the net proceeds which is included as a component of the Gain on Sale of Project Partnerships on the Combined Statement of Operations. The net proceeds from this sale transaction were distributed to the Limited Partners in May 2007.

In February 2007, Gateway sold its Project Partnership investment in Robinhood Apartments. Gateway received \$40,383 in net proceeds (\$1.58 per limited partnership unit) for the sale of this Project Partnership. The net proceeds are a component of the Distribution Payable on the Balance Sheet as of March 31, 2007 and Gateway recorded a gain on sale in the amount of the net proceeds which is included as a component of the Gain on Sale of Project Partnerships on the Combined Statement of Operations. The net proceeds from this sale transaction were distributed to the Limited Partners in May 2007.

In January 2007, Gateway sold its Project Partnership investment in Applewood Apartments. Gateway received \$105,538 in net proceeds (\$4.14 per limited partnership unit) for the sale of this Project Partnership. The net proceeds are a component of the Distribution Payable on the Balance Sheet as of March 31, 2007 and Gateway recorded a gain on sale in the amount of the net proceeds which is included as a component of the Gain on Sale of Project Partnerships on the Combined Statement of Operations. The net proceeds from this sale transaction were distributed to the Limited Partners in May 2007.

In October 2006, Gateway sold its Project Partnership investment in Hunters Ridge Apartments. Gateway received \$47,616 in net proceeds (\$1.90 per limited partnership unit) for the sale of this Project Partnership. Gateway recorded a gain on sale in the amount of the net proceeds which is included as a component of the Gain on Sale of Project Partnerships on the Combined Statement of Operations. The net proceeds from this sale transaction were distributed to the Limited Partners in December, 2006.

In October 2006, Gateway sold its Project Partnership investment in Albany Village Apartments. Gateway received \$47,668 in net proceeds (\$1.90 per limited partnership unit) for the sale of this Project Partnership. Gateway recorded a net gain on sale in the amount of the net proceeds which is included as a component of the Gain on Sale of Project Partnerships on the Combined Statement of Operations. The net proceeds from this sale transaction were distributed to the Limited Partners in December, 2006.

In July 2006, Gateway sold its Project Partnership investment in Floresville Square Apartments II. Gateway received \$39,064 in net proceeds (\$1.54 per limited partnership unit) for the sale of this Project Partnership. Gateway recorded a net gain on sale of \$38,210 on the sale of this asset, which is included as a component of the Gain on Sale of Project Partnerships on the Combined Statement of Operations. The net proceeds from this sale transaction were distributed to the Limited Partners in December, 2006.

In April 2006, Gateway disposed of its Project Partnership investment in the Village Apartments of Divernon. Gateway did not receive any net proceeds from the disposition of this Project Partnership investment. Gateway recorded a net gain on sale of \$151,256 on the disposition of this asset, which is included as a component of the Gain on Sale of Project Partnerships on the Consolidated Statement of Operations.

The following summarizes the most recent status of the sale/disposal process for the remaining Project Partnership investments held as of June 30, 2007:

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

Project Partnerships sold subsequent to June 30, 2007:

Brookshire Apartments

Sandridge Apartments

Subsequent to the June 30, 2007 quarter-end, Gateway sold its Project Partnership investments in Brookshire Apartments and Sandridge Apartments. Gateway received approximately \$494,000 in net proceeds or approximately \$19.32 per Limited Partner unit from these sales transaction which have been distributed to Limited Partner unit holders in the 2nd quarter of fiscal year 2008 (August 2007).

Gateway has approved the sale to the general partner of the Project Partnerships or a third party:

Crosstown Parkway Apartments Phase I
Pleasant Valley Apartments
La Villa Elena
Sage Apartments
Hunters Ridge Apartments

Crosstown Parkway Apartments Phase II
Casa Linda Apartments
Rio Abajo Apartments
Limestone Apartments
Greeneville Landing

These approvals are subject to a number of contingencies, the outcome of which cannot be predicted with certainty. However, utilizing the sales amounts as approved by Gateway, should all the transactions close without modification, the estimated net proceeds from the sales of these Project Partnerships to Gateway are estimated to be approximately \$1,690,000, or \$66.10 per limited partnership unit which would be available for distribution to the Limited Partners subsequent to the closing of these sale transactions which would most likely occur within the next 24-month period.

Gateway has consented to the general partner granting an option for either the general partner or a third-party to purchase the Partnership Interest:

Hollybrook III Apartments
Kenly Court Apartments
Pulaski Village Apartments

Middleport Villa Apartments
Riverside Apartments

Should all of these options be exercised, the estimated net sales proceeds to Gateway from the sales transactions are estimated to be \$650,000, or \$25.42 per Limited Partnership unit potentially available for distribution to the Limited Partners over the next 24 months. These options to purchase could expire without being exercised which would result in no sales proceeds and remarketing of the Project Partnerships the results of which are undeterminable.

Project Partnerships currently or previously listed for sale on a commercial real estate for sale website or listed for sale by the general partner of the Project Partnership:

Floral Acres Apartments
Pecan Grove Village Apartments I
Village Apartments of Centralia II
Village Apartments of Fortville II
Village Apartments of Sparta

Claremont Apartments
Pecan Grove Village Apartments II
Village Apartments of Summitville
Village Apartments of Morgantown

Item 3. Quantitative and Qualitative Disclosures 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 Gateway's management, including the Managing General Partnership's chief executive and chief financial officers, an evaluation of the effectiveness of Gateway'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 Gateway'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 Gateway required to be included in this report and Gateway's other reports that it files or submits under the Securities Exchange Act of 1934. There were no significant changes in Gateway's internal controls or in other factors that could significantly affect these controls subsequent to the date of their evaluation.

Item 4T. Controls and Procedures:

Not applicable to Gateway.

PART II - Other Information

Item 1. Legal Proceedings.

None.

Item 1A. Risk Factors

No material changes from those previously reported on Gateway's March 31, 2007 Form 10-K.

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.

31.1 Principal Executive Officer Certification as required by Rule 13a-14(a)/15d-14(a), filed herewith.

31.2 Principal Financial Officer Certification as required by Rule 13a-14(a)/15d-14(a), filed herewith.

32. Certification of the Chief Executive Officer and Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, filed herewith.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

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

Date: August 17, 2007

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

Date: August 17, 2007

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

Date: August 17, 2007

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 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 report;

3. Based on my knowledge, the financial statements, and other financial information included 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 report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, 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 report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 17, 2007

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 quarterly report of Form 10-Q of Gateway Tax Credit Fund, Ltd.;

2. Based on my knowledge, this 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 report;

3. Based on my knowledge, the financial statements, and other financial information included 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 report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, 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 report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 17, 2007

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, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Gateway Tax Credit Fund, Ltd.; (the "Partnership") on Form 10-Q for the period ended June 30, 2007 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), we hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to our knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Partnership.

/s/ Ronald M. Diner
Ronald M. Diner
President
Raymond James Tax Credit Funds, Inc.
(the Managing General Partner)
August 17, 2007

/s/ Jonathan Oorlog
Jonathan Oorlog
Vice President and Chief Financial Officer
Raymond James Tax Credit Funds, Inc.
(the Managing General Partner)
August 17, 2007