

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 December 31, 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 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 ☒

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:

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

CONSOLIDATED BALANCE SHEET

	December 31, 2007 (Unaudited)	March 31, 2007 (Audited)
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$ 792,307	\$ 1,034,929
Investments in Securities	200,169	-
Accounts Receivable	12,980	22,089
Prepaid Insurance	95	95
Total Current Assets	1,005,551	1,057,113
Investments in Project Partnerships, net	596,407	541,534
Replacement Reserves	9,692	9,637
Rental Property at Cost, net	372,147	401,685
Total Assets	<u>\$ 1,983,797</u>	<u>\$ 2,009,969</u>
LIABILITIES AND PARTNERS' DEFICIT		
Current Liabilities:		
Payable to General Partners	\$ 4,948,675	\$ 496,513
Distribution Payable	309,051	278,126
Deferred Gain on Sale of Project Partnerships	38,000	-
Accounts Payable - Other	9,090	7,826
Accrued Real Estate Taxes	3,611	10,527
Tenant Security Deposits	4,800	4,700
Mortgage Notes Payable - Current	5,684	5,684
Total Current Liabilities	5,318,911	803,376
Long-Term Liabilities:		
Payable to General Partners	-	4,187,572
Mortgage Notes Payable	801,749	801,749
Total Long-Term Liabilities	801,749	4,989,321
Minority Interest in Local Limited Partnership	(30,627)	(30,271)
Partners' Equity (Deficit):		
Limited Partners (25,566 units outstanding at December 31, 2007 and March 31, 2007)	(4,695,559)	(4,014,192)
General Partners	589,323	261,735
Total Partners' Deficit	(4,106,236)	(3,752,457)
Total Liabilities and Partners' Deficit	<u>\$ 1,983,797</u>	<u>\$ 2,009,969</u>

See accompanying notes to financial statements.

GATEWAY TAX CREDIT FUND, LTD.

(A Florida Limited Partnership)

CONSOLIDATED STATEMENTS OF OPERATIONS

FOR THE THREE MONTHS ENDED DECEMBER 31, 2007 AND 2006

(Unaudited)

	2007	2006
Revenues:		
Rental	\$ 7,691	\$ 42,836
Distribution Income	12,021	5,595
Miscellaneous Income	<u>1,596</u>	<u>725</u>
Total Revenues	<u>21,308</u>	<u>49,156</u>
Expenses:		
Asset Management Fee - General Partner	92,440	112,401
General and Administrative:		
General Partner	-	57,688
Other	20,242	19,574
Rental Operating Expenses	19,223	21,370
Interest	4,549	11,215
Depreciation	<u>9,846</u>	<u>10,024</u>
Total Expenses	<u>146,300</u>	<u>232,272</u>
Loss Before Equity in Income of Project Partnerships and Other Income	(124,992)	(183,116)
Equity in Income of Project Partnerships	87,058	46,219
Gain on Sale of Project Partnerships	274,513	91,957
Minority Interest in Loss (Income) of Consolidated Project Partnership	242	(10)
Interest Income	<u>9,470</u>	<u>8,906</u>
Net Income (Loss)	<u>\$ 246,291</u>	<u>\$ (36,044)</u>
Allocation of Net Income (Loss):		
Limited Partners	\$ 243,828	\$ (35,684)
General Partners	<u>2,463</u>	<u>(360)</u>
	<u>\$ 246,291</u>	<u>\$ (36,044)</u>
Net Income (Loss) Per Limited Partnership Unit	<u>\$ 9.54</u>	<u>\$ (1.40)</u>
Number of Limited Partnership Units Outstanding	<u>25,566</u>	<u>25,566</u>

See accompanying notes to financial statements.

GATEWAY TAX CREDIT FUND, LTD.

(A Florida Limited Partnership)

CONSOLIDATED STATEMENTS OF OPERATIONS
FOR THE NINE MONTHS ENDED DECEMBER 31, 2007 AND 2006

(Unaudited)

	2007	2006
Revenues:		
Rental	\$ 62,362	\$ 84,425
Distribution Income	55,367	37,257
Miscellaneous Income	1,596	2,347
Total Revenues	<u>119,325</u>	<u>124,029</u>
Expenses:		
Asset Management Fee - General Partner	293,692	340,364
General and Administrative:		
General Partner	104,564	174,044
Other	70,040	72,751
Rental Operating Expenses	56,549	52,595
Interest	13,648	13,939
Depreciation	29,538	30,072
Total Expenses	<u>568,031</u>	<u>683,765</u>
Loss Before Equity in Income of Project Partnerships and Other Income	(448,706)	(559,736)
Equity in Income of Project Partnerships	123,835	68,960
Gain on Sale of Project Partnerships	1,178,887	272,650
Minority Interest in Loss of Consolidated Project Partnership	356	96
Interest Income	32,389	25,598
Net Income (Loss)	<u>\$ 886,761</u>	<u>\$ (192,432)</u>
Allocation of Net Income (Loss):		
Limited Partners	\$ 877,893	\$ (190,508)
General Partners	<u>8,868</u>	<u>(1,924)</u>
	<u>\$ 886,761</u>	<u>\$ (192,432)</u>
Net Income (Loss) Per Limited Partnership Unit	<u>\$ 34.34</u>	<u>\$ (7.45)</u>
Number of Limited Partnership Units Outstanding	<u>25,566</u>	<u>25,566</u>

See accompanying notes to financial statements.

GATEWAY TAX CREDIT FUND, LTD.

(A Florida Limited Partnership)

CONSOLIDATED STATEMENTS OF PARTNERS' EQUITY (DEFICIT)

FOR THE NINE MONTHS ENDED DECEMBER 31, 2007 AND 2006

(Unaudited)

	Limited Partners' Deficit	General Partners' Equity	Total
Balance at March 31, 2006	\$ (3,168,987)	\$ 21,412	\$ (3,147,575)
Net Loss	(190,508)	(1,924)	(192,432)
Distributions	<u>(136,778)</u>	<u>-</u>	<u>(136,778)</u>
Balance at December 31, 2006	<u>\$ (3,496,273)</u>	<u>\$ 19,488</u>	<u>\$ (3,476,785)</u>
Balance at March 31, 2007	\$ (4,014,192)	\$ 261,735	\$ (3,752,457)
Capital Contributions	-	318,720	318,720
Net Income	877,893	8,868	886,761
Distributions	<u>(1,559,260)</u>	<u>-</u>	<u>(1,559,260)</u>
Balance at December 31, 2007	<u>\$ (4,695,559)</u>	<u>\$ 589,323</u>	<u>\$ (4,106,236)</u>

See accompanying notes to financial statements.

GATEWAY TAX CREDIT FUND, LTD.

(A Florida Limited Partnership)

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE NINE MONTHS ENDED DECEMBER 31, 2007 AND 2006

(Unaudited)

	2007	2006
Cash Flows from Operating Activities:		
Net Income (Loss)	\$ 886,761	\$ (192,432)
Adjustments to Reconcile Net Income (Loss) to Net Cash Used in Operating Activities:		
Depreciation	29,538	30,072
Amortized Premium on Investments in Securities	125	-
Current Year Equity in Income of Project Partnerships	(123,835)	(68,960)
Gain on Sale of Project Partnerships	(1,178,887)	(272,650)
Minority Interest in Losses of Consolidated Project Partnership	(356)	(96)
Distribution Income	(55,367)	(35,025)
Changes in Operating Assets and Liabilities:		
Decrease (Increase) in Accounts Receivable	9,109	(20,894)
Increase in Interest Receivable	(28)	-
Decrease in Accounts Payable	(736)	(22,157)
(Increase) Decrease in Replacement Reserves	(55)	2,634
Increase in Security Deposits	100	-
Decrease in Accrued Real Estate Taxes	(6,916)	-
Increase in Payable to General Partners	264,590	513,572
Net Cash Used in Operating Activities	<u>(175,957)</u>	<u>(65,936)</u>
Cash Flows from Investing Activities:		
Distributions Received from Project Partnerships	62,504	46,947
Net Proceeds from Sale of Project Partnerships	1,280,712	130,517
Purchase of Investment Securities	(200,266)	-
Purchase of Equipment	-	(1,676)
Net Cash Provided by Investing Activities	<u>1,142,950</u>	<u>175,788</u>
Cash Flows from Financing Activities:		
Capital Contributions	318,720	-
Distributions to Limited Partners	(1,528,335)	(136,778)
Net Cash Used in Financing Activities	<u>(1,209,615)</u>	<u>(136,778)</u>
Decrease in Cash and Cash Equivalents	(242,622)	(26,926)
Cash and Cash Equivalents at Beginning of Year	<u>1,034,929</u>	<u>758,509</u>
Cash and Cash Equivalents at End of Period	<u>\$ 792,307</u>	<u>\$ 731,583</u>
Supplemental disclosure of non-cash activities:		
Increase in Distribution Payable	\$ 310,025	\$ -
Distribution to Limited Partners	(310,025)	-
	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to financial statements.

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 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 eligible for Low-Income Housing Tax Credits ("Tax Credits"), provided for in Section 42 of the Internal Revenue Code of 1986. Gateway will terminate on December 31, 2040 or sooner, in accordance with the terms of the limited partnership agreement (the "Agreement"). As of December 31, 2007, Gateway had received capital contributions of \$319,720 from the General Partners and \$25,566,000 from the Limited Partners. As of March 31, 2007, Gateway had received capital contributions of \$1,000 from the General Partners and \$25,566,000 from the Limited Partners. 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 property are allocated as specified in the Agreement.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES:

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 (as defined below), 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 Consolidated 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.

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. Any cash distributions received from Project Partnerships which have a zero investment balance are accounted for as distribution income in the period the cash distribution is received by Gateway.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (continued):

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 for the nine-month period ended December 31, 2007.

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. No such funding to Project Partnerships occurred during the nine months ended December 31, 2007.

Consolidated Entity Statements

The accompanying statements include, on a consolidated basis, the accounts of Gateway and Village Apartments of Sparta Limited Partnership ("Sparta") (combined the "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 Sparta. Since the general partner of Sparta 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 Sparta on a 3-month lag basis, consistent with the presentation of financial information of all Project Partnerships.

In prior fiscal years, 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 in fiscal year 2007 of \$151,256 on Sale of this Project Partnership.

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 Sparta. 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 of Sparta 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 Sparta are charged to expense as incurred. Upon disposal of depreciable property, the appropriate property accounts are reduced by the related costs and accumulated depreciation. Any resulting gains and losses are reflected in the Consolidated Statement of Operations.

Rental Income

Rental income, principally from short-term leases on Sparta'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. and U.S. Treasury securities.

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.

Investment in Securities

Gateway applies Statement of Financial Accounting Standards No. 115, Accounting for Certain Investments in Debt and Equity Securities ("FAS 115") (refer to Note 3 below). Under FAS 115, Gateway is required to categorize its debt securities as held-to-maturity, available-for-sale or trading securities, dependent upon Gateway's intent in holding the securities. Gateway's intent is to hold all of its debt securities (U.S. Treasury Notes) until maturity and to use these assets to fund Gateway's ongoing operations. The securities are carried at amortized cost, which approximates market value, and are adjusted for amortization of premiums and accretion of discounts to maturity. Such adjustments are included in Interest Income.

Income Taxes

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

Reclassifications

For comparability, certain fiscal year 2007 amounts have been reclassified, where appropriate, to conform with the fiscal year 2008 financial statement presentation.

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 58 VIE's, 57 of which consist of Project Partnerships which Gateway is not the primary beneficiary. The Village Apartments of Sparta is a VIE in which Gateway is considered to be the primary beneficiary as a result of an affiliate of the Managing General Partner serving as the general partner of that Project Partnership. Refer to the Consolidated Statements discussion in Note 2 for further information regarding the consolidation of this Project Partnership. 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 \$596,407 at December 31, 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 – INVESTMENT IN SECURITIES:

Investments in Securities consist of U.S. Treasury Notes at their cost, plus accrued interest and unamortized premiums of \$169. The Investments in Securities are commonly held in a brokerage account maintained at Raymond James and Associates, Inc., an affiliate of the General Partners. The estimated market value at December 31, 2007 of the securities is \$201,656 resulting in a gross unrealized gain of \$1,487.

As of December 31, 2007, the cost and accrued interest/unamortized premiums of the securities by contractual maturities is as follows:

Due within 1 year	\$	200,169
After 1 year through 5 years		<u>0</u>
Total Amount Carried on Balance Sheet	\$	<u>200,169</u>

NOTE 4 - RELATED PARTY TRANSACTIONS:

The Payable to General Partners primarily represents the asset management fees and general and administrative expenses 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.

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

Asset Management Fee – The Managing General Partner is entitled to receive an annual asset management fee equal to 0.45% of the aggregate cost of Gateway's interest in the projects owned by the Project Partnerships. The asset management fee will be paid only after all other expenses of Gateway have been paid. These fees are included in the Consolidated Statements of Operations. Totals incurred for the nine months ended December 31, 2007 and 2006 were \$293,692 and \$340,364, respectively.

General and Administrative Expenses – The Managing General Partner is reimbursed for general and administrative expenses of Gateway on an accountable basis. These expenses are included in the Consolidated Statements of Operations. Totals incurred for the nine months ended December 31, 2007 and 2006 were \$104,564 and \$174,044, respectively.

Refer to the discussion of net profit on re-syndication transactions contributed to Gateway by the Managing General Partner in Note 8, Summary of Disposition Activities herein.

NOTE 5 - RENTAL PROPERTY:

A summary of the rental property information reported by Sparta at September 30, 2007 is as follows:

	Cost	Accumulated Depreciation	Book Value
Land	\$ 32,000	\$ 0	\$ 32,000
Buildings	968,869	637,007	331,862
Furniture and Appliances	<u>48,945</u>	<u>40,660</u>	<u>8,285</u>
Net Book Value	<u>\$1,049,814</u>	<u>\$677,667</u>	<u>\$372,147</u>

A summary of the rental property information reported by Sparta 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	<u>48,945</u>	<u>38,888</u>	<u>10,057</u>
Net Book Value	<u>\$1,049,814</u>	<u>\$648,129</u>	<u>\$401,685</u>

NOTE 6 - MORTGAGE NOTE PAYABLE:

The mortgage note payable for Sparta is the balance due on the note dated December 1, 1998 in the amount of \$827,361. The loan is at a stated interest rate of 6.125% for a period of 50 years; the loan also contains a provision for an interest subsidy which reduces the effective interest rate to 2.325%.

Expected maturities of the mortgage note payable are as follows:

<u>Year Ending</u>	<u>Amount</u>
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	<u>777,742</u>
Total	<u>\$807,433</u>

NOTE 7 - INVESTMENTS IN PROJECT PARTNERSHIPS:

As of December 31, 2007, Gateway holds a 99% interest in the profits, losses, and Tax Credits as a limited partner in 57 Project Partnerships and a general partner interest in Sparta, all together holding 62 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.

The following is a summary of Investments in Project Partnerships, excluding the Consolidated Entity, as of:

	<u>December 31, 2007</u>	<u>March 31, 2007</u>
Capital Contributions to Project Partnerships and purchase price paid for limited partner interests in Project Partnerships	\$ 13,189,775	\$ 15,720,185
Cumulative equity in losses of Project Partnerships (1)	(13,041,792)	(15,751,914)
Cumulative distributions received from Project Partnerships	<u>(614,640)</u>	<u>(702,417)</u>
Investment in Project Partnerships before Adjustment	(466,657)	(734,146)
Excess of investment cost over the underlying assets acquired:		
Acquisition fees and expenses	1,670,779	1,979,556
Accumulated amortization of acquisition fees and expenses	<u>(607,715)</u>	<u>(703,876)</u>
Investments in Project Partnerships	<u>\$ 596,407</u>	<u>\$ 541,534</u>

(1) In accordance with Gateway's accounting policy to not carry Investments in Project Partnerships below zero, cumulative suspended losses of \$17,207,388 for the period ended December 31, 2007 and cumulative suspended losses of \$19,299,452 for the year ended March 31, 2007 are not included.

NOTE 7 - INVESTMENTS IN PROJECT PARTNERSHIPS (continued):

In accordance with Gateway's policy of presenting the financial information of the Project Partnerships, excluding Sparta beginning on the date of combination, on a three month lag, below is the summarized balance sheets for the Project Partnerships as of September 30 and the summarized statements of operations for the three months ended September 30 of each year:

	2007	2006
SUMMARIZED BALANCE SHEETS		
Assets:		
Current assets	\$ 7,532,676	\$ 9,384,544
Investment properties, net	36,730,175	51,424,697
Other assets	910,559	476,698
Total assets	<u>\$ 45,173,410</u>	<u>\$ 61,285,939</u>
Liabilities and Partners' Deficit:		
Current liabilities	\$ 2,752,240	\$ 2,750,685
Long-term debt	62,538,322	82,634,323
Total liabilities	<u>65,290,562</u>	<u>85,385,008</u>
Partners' deficit		
Limited Partner	(18,210,644)	(21,968,964)
General Partners	(1,906,508)	(2,130,105)
Total Partners' deficit	<u>(20,117,152)</u>	<u>(24,099,069)</u>
Total liabilities and partners' deficit	<u>\$ 45,173,410</u>	<u>\$ 61,285,939</u>
SUMMARIZED STATEMENTS OF OPERATIONS		
Rental and other income	\$ 8,143,620	\$ 9,765,308
Expenses:		
Operating expenses	5,409,141	6,561,924
Interest expense	1,112,610	1,487,440
Depreciation and amortization	1,911,063	2,490,699
Total expenses	<u>8,432,814</u>	<u>10,540,063</u>
Net loss	<u>\$ (289,194)</u>	<u>\$ (774,755)</u>
Other partners' share of net loss	<u>(2,892)</u>	<u>(7,748)</u>
Gateway's share of net loss	\$ (286,302)	\$ (767,007)
Suspended losses	410,137	835,967
Equity in Income of Project Partnerships	<u>\$ 123,835</u>	<u>\$ 68,960</u>

Gateway's equity as reflected by the Project Partnerships of \$(18,210,644) differs from Gateway's Investments in Project Partnerships before acquisition fees and expenses and amortization of \$(466,657), primarily because of suspended losses on Gateway's books.

NOTE 8 – SUMMARY OF DISPOSITION ACTIVITIES:

Gateway at one time held investments in 82 Project Partnerships holding 87 properties. As of December 31, 2007, Gateway has sold or otherwise disposed of its interest in 24 Project Partnerships which held 25 properties. A summary of the sale or disposition transactions for the Project Partnerships disposed during the current fiscal year-to-date and the previous fiscal year are summarized below:

Fiscal Year 2008 Disposition Activity:

Transaction Month / Year	Project Partnership	Net Proceeds	Net Proceeds Per LP Unit	Gain (Loss) on Disposal
December 2007	Claremont Apartments	\$ 22,000	\$ 0.86	\$ 22,000
December 2007	Pleasant Valley Apartments	31,775	1.24	31,249
December 2007	Floral Acres Apartments	8,750	0.34	(53,073)
December 2007	Kenly Court Apartments Phase I & II	137,444	5.38	137,444
October 2007	Riverside Apartments	110,056	4.30	109,530
September 2007	Hunters Ridge Apartments (AL)	27,362	1.07	27,363
August 2007	Greenville Landing Apartments	34,306	1.34	33,775
July 2007	Sandridge Apartments	248,000	9.70	248,797
July 2007	Brookshire Apartments	248,000	9.70	249,032
May 2007	Laurel Woods Apartments	223,240	8.73	224,347
April 2007	Ashton Place Apartments	148,309	5.80	147,778
	Other, net (see below)	-	-	<u>645</u>
				\$ 1,178,887

The net proceeds from the sale of Claremont Apartments, Pleasant Valley Apartments, Floral Acres Apartments, Kenly Court Apartments Phase I & II, and Riverside Apartments are a component of the Distribution Payable on the Consolidated Balance Sheet as of December 31, 2007. These net proceeds will be distributed to the Limited Partners in the fourth quarter of fiscal year 2008.

The net proceeds from the sale of Hunters Ridge Apartments (AL), Greenville Landing Apartments, and Ashton Place Apartments were distributed to the Limited Partners in October 2007.

The net proceeds from the sale of Sandridge Apartments, Brookshire Apartments, and Laurel Woods Apartments were distributed to the Limited Partners in August 2007.

As part of the October 2007 distribution, Gateway distributed an additional \$4,942 to the Limited Partners (\$0.19 per limited partnership unit) and recognized an additional gain on sale of Project Partnerships in the amount of \$645 resulting from the true-up of accrued and actual legal and other sale transaction closing expenses arising from Project Partnership sale transactions which closed in prior quarters.

Re-syndications of Project Partnerships occur when a new buyer acquires the assets of a Project Partnership and renovates the existing affordable housing property and finances the costs of the renovation in part through the acquisition and sale of Tax Credits. In such re-syndication transactions, the assets of the existing Project Partnership are sold to a new partnership, net sales proceeds from the sale of assets are remitted to either Gateway or the general partner of the Project Partnership as appropriate, and the Project Partnership is liquidated. In a separate transaction, the new partnership, which has a “fresh” allocation of Tax Credits, is sold to an unrelated third party or fund. In certain limited circumstances, the Managing General Partner of Gateway is involved in “re-syndicating” the sale of interests in the new partnership to an unrelated third party or fund. In those instances, the Managing General Partner has adopted the policy that it will contribute any net profits it received from the re-syndication transaction to Gateway. The following properties were the subject of re-syndication transactions in which the Managing General Partner was involved in the re-syndication, and \$318,720 of re-syndication profit has been contributed to Gateway by the Managing General Partner in October 2007. The re-syndication profit contributions associated with each transaction are as follows:

Floresville Square Apartments	\$ 57,694
Albany Village Apartments	29,923
Hunters Ridge Apartments (KY)	29,922
Ashton Place Apartments	<u>201,181</u>
Total Re-syndication contribution	<u>\$ 318,720</u>

Gateway’s financial statements reflect this amount as a capital contribution from the General Partner and a component of Distributions paid to Limited Partners on the Statement of Partners’ Equity (Deficit) as of December 31, 2007.

NOTE 8 – SUMMARY OF DISPOSITION ACTIVITIES (continued):

Fiscal Year 2007 Disposition Activity:

Transaction		Net Proceeds	Net Proceeds	Gain (Loss)
<u>Month / Year</u>	<u>Project Partnership</u>	<u>Net Proceeds</u>	<u>Per LP Unit</u>	<u>on Disposal</u>
February 2007	Skyview Terrace Apartments	\$ 38,732	\$ 1.51	\$ 38,732
February 2007	Fairview South Apartments	50,360	1.97	50,360
February 2007	Southwood Apartments	42,710	1.67	42,710
February 2007	Robinhood Apartments	40,383	1.58	40,383
January 2007	Applewood Apartments	105,538	4.14	105,538
October 2006	Hunters Ridge Apartments (KY)	47,616	1.90	47,616
October 2006	Albany Village Apartments	47,668	1.90	47,668
July 2006	Floresville Square Apartments II	39,064	1.54	38,210
April 2006	Village Apartments of Divernon	-	-	<u>151,256</u>
				\$ 562,473

The net proceeds from the sale of Skyview Terrace Apartments, Fairview South Apartments, Southwood Apartments, Robinhood Apartments, and Applewood Apartments are a component of the Distribution Payable on the Consolidated Balance Sheet as of March 31, 2007. These net proceeds were distributed to the Limited Partners in May 2007.

The net proceeds from the sale of Hunters Ridge Apartments (KY), Albany Village Apartments, and Floresville Square Apartments II were distributed to the Limited Partners in December 2006.

NOTE 9 – SUBSEQUENT EVENTS:

Subsequent to the December 31, 2007 quarter-end, Gateway sold its partnership interest in Teton View Apartments I and Teton View Apartments II. Gateway received approximately \$38,000 in net proceeds (approximately \$1.49 per limited partnership unit) from these sale transactions which will be distributed to the Limited Partners in a subsequent quarter. The net proceeds were received in December 2007. In accordance with FASB No. 66 ("FASB No. 66") "Accounting for Sales of Real Estate," although the net proceeds from these sale transactions were received on or prior to December 31, 2007, the gain on the sale of these assets of \$38,000 and the related distribution payable (\$1.49 per limited partnership unit) will be recognized in the Statement of Operations when all conditions for a sale of real estate have been met. All conditions for recognition of the gain on sale of these Project Partnerships were met after December 31, 2007. Gateway's financial statements reflect the gross proceeds in the Deferred Gain on Sale of Project Partnerships on the Consolidated Balance Sheet as of December 31, 2007.

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

Results of Operations

As disclosed on the Consolidated Statements of Operations, distribution income received from the Project Partnerships increased \$18,110 from \$37,257 for the nine months ended December 31, 2006 to \$55,367 for the nine months ended December 31, 2007. Rental revenue decreased \$22,063 from \$84,425 for the nine months ended December 31, 2006 to \$62,362 for the nine months ended December 31, 2007. Equity in Income of Project Partnerships increased \$54,875 from \$68,960 for the nine months ended December 31, 2006 to \$123,835 for the nine months ended December 31, 2007.

In total, Gateway had net income of \$886,761 for the nine months ended December 31, 2007 as compared to a net loss of \$192,432 for the nine months ended December 31, 2006. The increase in net income for the nine months ended December 31, 2007 is a result of the gains on the sales of eleven Project Partnerships (Ashton Place, Laurel Woods, Brookshire, Sandridge, Greenville Landing, Hunters Ridge (AL), Riverside, Kenly Court Phase I & II, Floral Acres, Pleasant Valley, and Claremont) being greater than the gains from the disposition of Divernon and the sales of three Project Partnerships (Floresville Square II, Albany Village, and Hunters Ridge (KY)) that were recorded in the nine months ended December 31, 2006. After adjusting for changes in operating assets and liabilities, and the equity in income of Project Partnerships, net cash used in operating activities was \$175,957. The net cash provided by investing activities was \$1,142,950 consisting of \$62,504 in cash distributions received from Project Partnerships, \$1,240,712 in net sales proceeds received from the sale of the eleven Project Partnerships listed above, and \$40,000 in proceeds from the sale of Project Partnerships closing in January 2008, offset by \$200,266 used to purchase U.S. Treasury Notes in July 2007. The net cash used in financing activities was \$1,209,615 consisting of \$318,720 in capital contributions offset by \$1,528,335 in distributions paid to Limited Partners.

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 cash and cash equivalents and short-term investments which are comprised of U.S. Treasury Notes and the interest earnings thereon, which were purchased with funds set aside for this purpose, and cash distributed to Gateway from the operations of the Project Partnerships. At December 31, 2007, Gateway had \$792,307 of cash and cash equivalents and \$200,169 of short-term investments in U.S. Treasury Notes. However, \$309,051 of this balance represents proceeds Gateway received prior to December 31, 2007 from the sale of Project Partnership investments which is for distribution to Limited Partners and which will be subsequently distributed to Limited Partners in the fourth quarter of fiscal year 2008. 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.

Exit Strategy

The IRS compliance period for low-income housing tax credit properties is generally fifteen years from occupancy following construction or rehabilitation completion. All of Gateway's Project Partnerships have reached the end of their Tax Credit compliance period; consequently, Gateway is currently in the process of disposing of all of its investments in Project Partnerships. 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 loan balance on 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 December 31, 2007, Gateway holds a limited partner interest in 57 Project Partnerships and a general partner interest in one Project Partnership (Sparta), together holding 62 properties which own and operate government assisted multi-family housing complexes. From inception of Gateway through December 31, 2007, 24 of the Project Partnerships holding 25 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. A summary of the sale or disposition transactions for the Project Partnerships disposed during the current and previous fiscal year are summarized below:

Fiscal Year 2008 Disposition Activity:

Transaction Month / Year	Project Partnership	Net Proceeds	Net Proceeds Per LP Unit	Gain (Loss) on Disposal
December 2007	Claremont Apartments	\$ 22,000	\$ 0.86	\$ 22,000
December 2007	Pleasant Valley Apartments	31,775	1.24	31,249
December 2007	Floral Acres Apartments	8,750	0.34	(53,073)
December 2007	Kenly Court Apartments Phase I & II	137,444	5.38	137,444
October 2007	Riverside Apartments	110,056	4.30	109,530
September 2007	Hunters Ridge Apartments (AL)	27,362	1.07	27,363
August 2007	Greenville Landing Apartments	34,306	1.34	33,775
July 2007	Sandridge Apartments	248,000	9.70	248,797
July 2007	Brookshire Apartments	248,000	9.70	249,032
May 2007	Laurel Woods Apartments	223,240	8.73	224,347
April 2007	Ashton Place Apartments	148,309	5.80	147,778
	Other, net (see below)			645
				\$ 1,178,887

The net proceeds from the sale of Claremont Apartments, Pleasant Valley Apartments, Floral Acres Apartments, Kenly Court Apartments Phase I & II, and Riverside Apartments are a component of the Distribution Payable on the Consolidated Balance Sheet as of December 31, 2007. These net proceeds will be distributed to the Limited Partners in the fourth quarter of fiscal year 2008.

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

The net proceeds from the sale of Hunters Ridge Apartments (AL), Greenville Landing Apartments, and Ashton Place Apartments were distributed to the Limited Partners in October 2007 (distribution paid to Limited Partners totaled \$528,697, or \$20.87 per limited partnership unit). The distribution also includes the Managing General Partner's net re-syndication profits on Ashton Place Apartments, Floresville Square Apartments II, Hunters Ridge Apartments (KY), and Albany Village Apartments (see further discussion of re-syndication profits below).

The net proceeds from the sale of Sandridge Apartments, Brookshire Apartments, and Laurel Woods Apartments were distributed to the Limited Partners in August 2007 (distribution paid to Limited Partners totaled \$716,871, or \$28.04 per limited partnership unit).

As part of the October 2007 distribution, Gateway distributed an additional \$4,942 to the Limited Partners (\$0.19 per limited partnership unit) and recognized an additional gain on sale of Project Partnerships in the amount of \$645 resulting from the true-up of accrued and actual legal and other sale transaction closing expenses arising from Project Partnership sale transactions which closed in prior quarters.

Re-syndications of Project Partnerships occur when a new buyer acquires the assets of a Project Partnership and renovates the existing affordable housing property and finances the costs of the renovation in part through the acquisition and sale of Tax Credits. In such re-syndication transactions, the assets of the existing Project Partnership are sold to a new partnership, net sales proceeds from the sale of assets are remitted to either Gateway or the general partner of the Project Partnership as appropriate, and the Project Partnership is liquidated. In a separate transaction, the new partnership, which has a "fresh" allocation of Tax Credits, is sold to an unrelated third party or fund. In certain limited circumstances, the Managing General Partner of Gateway is involved in "re-syndicating" the sale of interests in the new partnership to an unrelated third party or fund. In those instances, the Managing General Partner will contribute any net profits it received from the re-syndication transaction to Gateway. The following properties were the subject of re-syndication transactions which the Managing General Partner was involved in the re-syndication, and the amount of re-syndication profit being contributed to Gateway by the Managing General Partner associated with each transaction is as follows:

Floresville Square Apartments	\$ 57,694
Albany Village Apartments	29,923
Hunters Ridge Apartments (KY)	29,922
Ashton Place Apartments	<u>201,181</u>
Total Re-syndication contribution	<u>\$ 318,720</u>

Gateway's financial statements reflect this amount as both a capital contribution and a component of Distributions on the Statement of Partners' Equity (Deficit) as of December 31, 2007. The actual capital contribution was made by the Managing General Partner to Gateway, and the corresponding distribution to the Limited Partners occurred, in the month of October 2007.

Fiscal Year 2007 Disposition Activity:

Transaction Month / Year	Project Partnership	Net Proceeds Net Proceeds	Per LP Unit	Gain (Loss) on Disposal
February 2007	Skyview Terrace Apartments	\$ 38,732	\$ 1.51	\$ 38,732
February 2007	Fairview South Apartments	50,360	1.97	50,360
February 2007	Southwood Apartments	42,710	1.67	42,710
February 2007	Robinhood Apartments	40,383	1.58	40,383
January 2007	Applewood Apartments	105,538	4.14	105,538
October 2006	Hunters Ridge Apartments (KY)	47,616	1.90	47,616
October 2006	Albany Village Apartments	47,668	1.90	47,668
July 2006	Floresville Square Apartments II	39,064	1.54	38,210
April 2006	Village Apartments of Divernon	-	-	<u>151,256</u>
				\$ 562,473

The net proceeds from the sale of Skyview Terrace Apartments, Fairview South Apartments, Southwood Apartments, Robinhood Apartments, and Applewood Apartments are a component of the Distribution Payable on the Consolidated Balance Sheet as of March 31, 2007. These net proceeds were distributed to the Limited Partners in May 2007.

The net proceeds from the sale of Hunters Ridge Apartments (KY), Albany Village Apartments, and Floresville Square Apartments II were distributed to the Limited Partners in December 2006.

Status Update on Unsold Project Partnerships:

The following summarizes the most recent status of the sale/disposal process for the remaining Project Partnership investments held as of December 31, 2007:

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

Project Partnerships sold subsequent to December 31, 2007:

Teton View Apartments I

Teton View Apartments II

Subsequent to the December 31, 2007 quarter-end, Gateway sold its partnership interest in Teton View Apartments I and Teton View Apartments II. Gateway received approximately \$38,000 in net proceeds (approximately \$1.49 per limited partnership unit) from these sale transactions which will be distributed to the Limited Partners in a subsequent quarter. These sales will be reflected in the financial statements for the year-ended March 31, 2008. The net proceeds were received in December 2007. In accordance with FASB No. 66 ("FASB No. 66") "Accounting for Sales of Real Estate," although the net proceeds from these sale transactions were received on or prior to December 31, 2007, the gain on the sale of these assets of \$38,000 and the related distribution payable (\$1.49 per limited partnership unit) will be recognized in the Statement of Operations when all conditions for a sale of real estate have been met. All conditions for recognition of the gain on sale of these Project Partnerships were met after December 31, 2007. Gateway's financial statements reflect the gross proceeds in the Deferred Gain on Sale of Project Partnerships on the Consolidated Balance Sheet as of December 31, 2007.

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

Crosstown Parkway Apts. Phase I
Casa Linda Apartments
Rio Abajo Apartments
Woodland Hills Apartments

Crosstown Parkway Apts. Phase II
La Villa Elena
Sage Apartments
Limestone Apartments

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 \$1,802,000, or \$70.48 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 18-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:

Lakeview Apartments Phase II
Pulaski Village Apartments
Middleport Villa Apartments
Longleaf Apartments

Hollybrook III Apartments
Madison Woods Apartments
Meadows Apartments

Should all of these options be exercised, the estimated net sales proceeds to Gateway from the sales transactions are estimated to be \$1,053,000, or \$41.19 per limited partnership unit potentially available for distribution to the Limited Partners over the next 18 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:

Village Apartments of Centralia II
Village Apartments of Fortville II
Village Apartments of Summitville
Pecan Grove Village II
Oakwood Grove Apartments
Magnolia Terrace
Hannah's Mill Apartments
Rock Springs Apartments

Village Apartments of Sparta
Village Apartments of Morgantown
Pecan Grove Village I
Hastings Manor Apartments
Sandhill Forest Apartments
Hooks Plantation
Spring Creek Apartments (GA)

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

As a small business issuer, no information is required.

Item 4. Controls and Procedures:

As of the end of the period covered by 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 this report.

PART II – Other Information

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: February 14, 2008

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

Date: February 14, 2008

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

Date: February 14, 2008

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

EXHIBIT 31.1

Rule 13a-14(a)/15d-14(a) Certification

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 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 operations 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: February 14, 2008

By: /s/ Ronald M. Diner

President

Raymond James Tax Credit Funds, Inc.

(the Managing General Partner)

EXHIBIT 31.2

Rule 13a-14(a)/15d-14(a) Certification

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 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 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 operations 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: February 14, 2008

By: /s/ 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.; ("Gateway") on Form 10-Q for the period ended December 31, 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 Gateway.

/s/ Ronald M. Diner

Ronald M. Diner

President

Raymond James Tax Credit Funds, Inc.

(Managing General Partner)

February 14, 2008

/s/ Jonathan Oorlog

Jonathan Oorlog

Vice President and Chief Financial Officer

Raymond James Tax Credit Funds, Inc.

(Managing General Partner)

February 14, 2008