

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, 2006

OR

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

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

Commission File Number: 0-19022

Gateway Tax Credit Fund II Ltd.

Exact name of Registrant as specified in its charter)

Florida

65-0142704

(State or other jurisdiction of  
incorporation or organization)

(IRS Employer No.)

880 Carillon Parkway, St. Petersburg, Florida

33716

(Address of principal executive offices)

(Zip Code)

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

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

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

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

Large accelerated filer ☐ Accelerated filer ☐ Non-accelerated filer ☒

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 II LTD.  
(A Florida Limited Partnership)  
BALANCE SHEETS

SERIES 2	December 31, 2006 ----- (Unaudited)	March 31, 2006 ----- (Audited)
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$ 133,231	\$ 250,529
Investments in Securities	128,210	66,276
	-----	-----
Total Current Assets	261,441	316,805
Investments in Project Partnerships, Net	0	0
	-----	-----
Total Assets	\$ 261,441 =====	\$ 316,805 =====
LIABILITIES AND PARTNERS' EQUITY (Deficit)		
Current Liabilities:		
Payable to General Partners	\$ 46,718	\$ 48,304
Other Payable	0	8,030
	-----	-----
Total Current Liabilities	46,718	56,334
Long-Term Liabilities:		
Payable to General Partners	649,788	599,253
	-----	-----
Partners' Equity (Deficit):		
Assignor Limited Partner		
Units of limited partnership interest		
consisting of 40,000 authorized BAC's, of		
which 6,136 at December 31, 2006 and March		
31, 2006 have been issued to the assignees		
Assignees		
Units of beneficial interest of the limited		
partnership interest of the assignor limited		
partner, \$1,000 stated value per BAC, 6,136		
at December 31, 2006 and March 31, 2006,		
issued and outstanding	(376,915)	(281,595)
General Partners	(58,150)	(57,187)
	-----	-----
Total Partners' (Deficit)	(435,065)	(338,782)
	-----	-----
Total Liabilities and Partners'	\$ 261,441	\$ 316,805
(Deficit)	=====	=====

See accompanying notes to financial statements.

GATEWAY TAX CREDIT FUND II LTD.  
(A Florida Limited Partnership)  
BALANCE SHEETS

SERIES 3	December 31, 2006 ----- (Unaudited)	March 31, 2006 ----- (Audited)
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$ 114,569	\$ 236,035
Investments in Securities	128,210	58,952
	-----	-----
Total Current Assets	242,779	294,987
Investments in Project Partnerships, Net	0	0
	-----	-----
Total Assets	\$ 242,779 =====	\$ 294,987 =====
LIABILITIES AND PARTNERS' EQUITY (Deficit)		
Current Liabilities:		
Payable to General Partners	\$ 51,101	\$ 52,905
Distribution Payable	28	0
Other Payable	400	7,300
	-----	-----
Total Current Liabilities	51,529	60,205
	-----	-----
Long-Term Liabilities:		
Payable to General Partners	539,999	493,156
	-----	-----
Partners' Equity (Deficit):		
Assignor Limited Partner		
Units of limited partnership interest consisting of 40,000 authorized BAC's, of which 5,456 at December 31, 2006 and March 31, 2006 have been issued to the assignees Assignees		
Units of beneficial interest of the limited partnership interest of the assignor limited partner, \$1,000 stated value per BAC, 5,456 at December 31, 2006 and March 31, 2006, issued and outstanding	(298,442)	(207,975)
General Partners	(50,307)	(50,399)
	-----	-----
Total Partners' (Deficit)	(348,749)	(258,374)
	-----	-----
Total Liabilities and Partners' (Deficit)	\$ 242,779 =====	\$ 294,987 =====

See accompanying notes to financial statements.

GATEWAY TAX CREDIT FUND II LTD.  
(A Florida Limited Partnership)  
BALANCE SHEETS

SERIES 4	December 31, 2006 ----- (Unaudited)	March 31, 2006 ----- (Audited)
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$ 152,628	\$ 322,204
Investments in Securities	179,695	74,685
	-----	-----
Total Current Assets	332,323	396,889
Investments in Project Partnerships, Net	0	0
	-----	-----
Total Assets	\$ 332,323 =====	\$ 396,889 =====
LIABILITIES AND PARTNERS' EQUITY (Deficit)		
Current Liabilities:		
Payable to General Partners	\$ 56,736	\$ 59,221
Other Payable	0	8,030
	-----	-----
Total Current Liabilities	56,736	67,251
	-----	-----
Long-Term Liabilities:		
Payable to General Partners	705,135	647,438
	-----	-----
Partners' Equity (Deficit):		
Assignor Limited Partner		
Units of limited partnership interest		
consisting of 40,000 authorized BAC's, of		
which 6,915 at December 31, 2006 and March		
31, 2006 have been issued to the assignees		
Assignees		
Units of beneficial interest of the limited		
partnership interest of the assignor limited		
partner, \$1,000 stated value per BAC, 6,915		
at December 31, 2006 and March 31, 2006,		
issued and outstanding	(364,598)	(253,967)
General Partners	(64,950)	(63,833)
	-----	-----
Total Partners' (Deficit)	(429,548)	(317,800)
	-----	-----
Total Liabilities and Partners' (Deficit)	\$ 332,323 =====	\$ 396,889 =====

See accompanying notes to financial statements.

GATEWAY TAX CREDIT FUND II LTD.  
(A Florida Limited Partnership)  
BALANCE SHEETS

SERIES 5	December 31, 2006 ----- (Unaudited)	March 31, 2006 ----- (Audited)
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$ 191,832	\$ 262,439
Accounts Receivable - Other	0	912
Investments in Securities	101,963	93,086
	-----	-----
Total Current Assets	293,795	356,437
Investments in Project Partnerships, Net	139,796	151,630
	-----	-----
Total Assets	\$ 433,591 =====	\$ 508,067 =====
LIABILITIES AND PARTNERS' EQUITY (Deficit)		
Current Liabilities:		
Payable to General Partners	\$ 75,678	\$ 77,770
Other Payable	0	3,650
	-----	-----
Total Current Liabilities	75,678	81,420
	-----	-----
Long-Term Liabilities:		
Payable to General Partners	580,865	511,577
	-----	-----
Partners' Equity (Deficit):		
Assignor Limited Partner		
Units of limited partnership interest consisting of 40,000 authorized BAC's, of which 8,616 at December 31, 2006 and March 31, 2006 have been issued to the assignees Assignees		
Units of beneficial interest of the limited partnership interest of the assignor limited partner, \$1,000 stated value per BAC, 8,616 at December 31, 2006 and March 31, 2006, issued and outstanding	(219,484)	(82,842)
General Partners	(3,468)	(2,088)
	-----	-----
Total Partners' Equity (Deficit)	(222,952)	(84,930)
	-----	-----
Total Liabilities and Partners' Equity (Deficit)	\$ 433,591 =====	\$ 508,067 =====

See accompanying notes to financial statements.

GATEWAY TAX CREDIT FUND II LTD.  
(A Florida Limited Partnership)  
BALANCE SHEETS

SERIES 6	December 31, 2006 ----- (Unaudited)	March 31, 2006 ----- (Audited)
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$ 122,455	\$ 463,580
Investments in Securities	364,503	78,370
	-----	-----
Total Current Assets	486,958	541,950
Investments in Project Partnerships, Net	353,331	372,285
	-----	-----
Total Assets	\$ 840,289 =====	\$ 914,235 =====
LIABILITIES AND PARTNERS' EQUITY (Deficit)		
Current Liabilities:		
Payable to General Partners	\$ 71,473	\$ 73,971
Distribution Payable	46	46
	-----	-----
Total Current Liabilities	71,519	74,017
	-----	-----
Long-Term Liabilities:		
Payable to General Partners	913,903	838,056
	-----	-----
Partners' Equity (Deficit):		
Assignor Limited Partner		
Units of limited partnership interest		
consisting of 40,000 authorized BAC's, of		
which 10,105 at December 31, 2006 and March		
31, 2006 have been issued to the assignees		
Assignees		
Units of beneficial interest of the limited		
partnership interest of the assignor limited		
partner, \$1,000 stated value per BAC, 10,105		
at December 31, 2006 and March 31, 2006,		
issued and outstanding	(143,660)	2,162
General Partners	(1,473)	0
	-----	-----
Total Partners' Equity (Deficit)	(145,133)	2,162
	-----	-----
Total Liabilities and Partners' Equity	\$ 840,289	\$ 914,235
(Deficit)	=====	=====

See accompanying notes to financial statements.

GATEWAY TAX CREDIT FUND II LTD.  
(A Florida Limited Partnership)  
BALANCE SHEETS

TOTAL SERIES 2 - 6	December 31, 2006 ----- (Unaudited)	March 31, 2006 ----- (Audited)
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$ 714,715	\$1,534,787
Accounts Receivable - Other	0	912
Investments in Securities	902,581	371,369
	-----	-----
Total Current Assets	1,617,296	1,907,068
Investments in Project Partnerships, Net	493,127	523,915
	-----	-----
Total Assets	\$2,110,423 =====	\$2,430,983 =====
LIABILITIES AND PARTNERS' EQUITY (Deficit)		
Current Liabilities:		
Payable to General Partners	\$ 301,706	\$ 312,171
Distribution Payable	74	46
Other Payable	400	27,010
	-----	-----
Total Current Liabilities	302,180	339,227
	-----	-----
Long-Term Liabilities:		
Payable to General Partners	3,389,690	3,089,480
	-----	-----
Partners' Equity (Deficit):		
Assignor Limited Partner		
Units of limited partnership interest consisting of 40,000 authorized BAC's, of which 37,228 at December 31, 2006 and March 31, 2006 have been issued to the assignees Assignees		
Units of beneficial interest of the limited partnership interest of the assignor limited partner, \$1,000 stated value per BAC, 37,228 at December 31, 2006 and March 31, 2006, issued and outstanding	(1,403,099)	(824,217)
General Partners	(178,348)	(173,507)
	-----	-----
Total Partners' Equity (Deficit)	(1,581,447)	(997,724)
	-----	-----
Total Liabilities and Partners' Equity (Deficit)	\$2,110,423 =====	\$2,430,983 =====

See accompanying notes to financial statements.

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

STATEMENTS OF OPERATIONS  
FOR THE THREE MONTHS ENDED DECEMBER 31,  
(Unaudited)

SERIES 2	2006	2005
	----	----
Revenues:		
Distribution Income	\$ 1,600	\$ 1,221
	-----	-----
Total Revenues	1,600	1,221
	-----	-----
Expenses:		
Asset Management Fee-General Partner	16,844	16,902
General and Administrative:		
General Partner	15,477	12,890
Other	3,843	1,579
Amortization	0	174
	-----	-----
Total Expenses	36,164	31,545
	-----	-----
Loss Before Equity in Losses of		
Project Partnerships and Other Income	(34,564)	(30,324)
Equity in Losses of Project Partnerships	0	(3,943)
Interest Income	3,278	3,421
	-----	-----
Net Loss	\$ (31,286)	\$ (30,846)
	=====	=====
Allocation of Net Loss:		
Assignees	\$ (30,973)	\$ (30,538)
General Partners	(313)	(308)
	-----	-----
	\$ (31,286)	\$ (30,846)
	=====	=====
Net Loss Per Beneficial		
Assignee Certificate	\$ (5.05)	\$ (4.98)
Number of Beneficial Assignee	=====	=====
Certificates Outstanding	6,136	6,136
	=====	=====

See accompanying notes to financial statements.



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

STATEMENTS OF OPERATIONS  
FOR THE THREE MONTHS ENDED DECEMBER 31,  
(Unaudited)

SERIES 3	2006	2005
	----	----
Revenues:		
Distribution Income	\$ 0	\$ 3,414
	-----	-----
Total Revenues	0	3,414
	-----	-----
Expenses:		
Asset Management Fee-General Partner	15,614	15,679
General and Administrative:		
General Partner	16,180	13,476
Other	4,837	1,676
	-----	-----
Total Expenses	36,631	30,831
	-----	-----
Loss Before Equity in Losses of		
Project Partnerships and Other Income	(36,631)	(27,417)
Equity in Losses of Project Partnerships	0	0
Gain on Sale of Partnership Assets	99,410	0
Interest Income	3,591	3,180
	-----	-----
Net Income (Loss)	\$ 66,370	\$ (24,237)
	=====	=====
Allocation of Net Income (Loss):		
Assignees	\$ 65,707	\$ (23,995)
General Partners	663	(242)
	-----	-----
	\$ 66,370	\$ (24,237)
	=====	=====
Net Income (Loss) Per Beneficial		
Assignee Certificate	\$ 12.04	\$ (4.40)
Number of Beneficial Assignee	=====	=====
Certificates Outstanding	5,456	5,456
	=====	=====

See accompanying notes to financial statements.

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

STATEMENTS OF OPERATIONS  
FOR THE THREE MONTHS ENDED DECEMBER 31,  
(Unaudited)

SERIES 4	2006	2005
	----	----
Revenues:		
Distribution Income	\$       0	\$       884
	-----	-----
Total Revenues	0	884
	-----	-----
Expenses:		
Asset Management Fee-General Partner	19,233	19,301
General and Administrative:		
General Partner	20,402	16,992
Other	5,048	1,886
	-----	-----
Total Expenses	44,683	38,179
	-----	-----
Loss Before Equity in Losses of		
Project Partnerships and Other Income	(44,683)	(37,295)
Equity in Losses of Project Partnerships	0	0
Interest Income	4,199	4,206
	-----	-----
Net Loss	\$ (40,484)	\$ (33,089)
	=====	=====
Allocation of Net Loss:		
Assignees	\$ (40,080)	\$ (32,758)
General Partners	(404)	(331)
	-----	-----
	\$ (40,484)	\$ (33,089)
	=====	=====
Net Loss Per Beneficial Assignee		
Certificate	\$ (5.80)	\$ (4.74)
Number of Beneficial Assignee	=====	=====
Certificates Outstanding	6,915	6,915
	=====	=====

See accompanying notes to financial statements.

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

STATEMENTS OF OPERATIONS  
FOR THE THREE MONTHS ENDED DECEMBER 31,  
(Unaudited)

SERIES 5	2006	2005
	----	----
Revenues:		
Distribution Income	\$ 1,654	\$ 1,654
	-----	-----
Total Revenues	1,654	1,654
	-----	-----
Expenses:		
Asset Management Fee-General Partner	23,096	23,180
General and Administrative:		
General Partner	24,623	21,093
Other	5,494	2,218
Amortization	3,859	501
	-----	-----
Total Expenses	57,072	46,992
	-----	-----
Loss Before Equity in Income (Losses) of		
Project Partnerships and Other Income	(55,418)	(45,338)
Equity in Income (Losses) of Project		
Partnerships	6,501	(2,288)
Interest Income	3,661	4,130
	-----	-----
Net Loss	\$ (45,256)	\$ (43,496)
	=====	=====
Allocation of Net Loss:		
Assignees	\$ (44,804)	\$ (43,061)
General Partners	(452)	(435)
	-----	-----
	\$ (45,256)	\$ (43,496)
	=====	=====
Net Loss Per Beneficial Assignee		
Certificate	\$ (5.20)	\$ (5.00)
Number of Beneficial Assignee	=====	=====
Certificates Outstanding	8,616	8,616
	=====	=====

See accompanying notes to financial statements.

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

STATEMENTS OF OPERATIONS  
FOR THE THREE MONTHS ENDED DECEMBER 31,  
(Unaudited)

SERIES 6	2006	2005
	----	----
Revenues:		
Distribution Income	\$ 3,740	\$ 3,503
	-----	-----
Total Revenues	3,740	3,503
	-----	-----
Expenses:		
Asset Management Fee-General Partner	25,283	25,398
General and Administrative:		
General Partner	26,030	22,265
Other	5,836	1,350
Amortization	9,513	1,384
	-----	-----
Total Expenses	66,662	50,397
	-----	-----
Loss Before Equity in Losses of		
Project Partnerships and Other Income	(62,922)	(46,894)
Equity in Losses of Project Partnerships	(180)	(12,164)
Gain on Sale of Partnership Assets	0	224,074
Interest Income	6,713	7,221
	-----	-----
Net (Loss) Income	\$ (56,389)	\$ 172,237
	=====	=====
Allocation of Net (Loss) Income:		
Assignees	\$ (55,825)	\$ 88,395
General Partners	(564)	83,842
	-----	-----
	\$ (56,389)	\$ 172,237
	=====	=====
Net (Loss) Income Per Beneficial Assignee		
Certificate	\$ (5.52)	\$ 8.75
Number of Beneficial Assignee	=====	=====
Certificates Outstanding	10,105	10,105
	=====	=====

See accompanying notes to financial statements.

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

STATEMENTS OF OPERATIONS  
FOR THE THREE MONTHS ENDED DECEMBER 31,  
(Unaudited)

TOTAL SERIES 2 - 6	2006	2005
	----	----
Revenues:		
Distribution Income	\$ 6,994	\$ 10,676
	-----	-----
Total Revenues	6,994	10,676
	-----	-----
Expenses:		
Asset Management Fee-General Partner	100,070	100,460
General and Administrative:		
General Partner	102,712	86,716
Other	25,058	8,709
Amortization	13,372	2,059
	-----	-----
Total Expenses	241,212	197,944
	-----	-----
Loss Before Equity in Income (Losses) of		
Project Partnerships and Other Income	(234,218)	(187,268)
Equity in Income (Losses) of Project		
Partnerships	6,321	(18,395)
Gain on Sale of Partnership Assets	99,410	224,074
Interest Income	21,442	22,158
	-----	-----
Net (Loss) Income	\$ (107,045)	\$ 40,569
	=====	=====
Allocation of Net (Loss) Income:		
Assignees	\$ (105,975)	\$ (41,957)
General Partners	(1,070)	82,526
	-----	-----
	\$ (107,045)	\$ 40,569
	=====	=====

See accompanying notes to financial statements.

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

STATEMENTS OF OPERATIONS  
FOR THE NINE MONTHS ENDED DECEMBER 31,  
(Unaudited)

SERIES 2	2006	2005
	----	----
Revenues:		
Distribution Income	\$ 5,393	\$ 4,708
	-----	-----
Total Revenues	5,393	4,708
	-----	-----
Expenses:		
Asset Management Fee-General Partner	50,534	50,706
General and Administrative:		
General Partner	46,694	34,892
Other	15,274	14,769
Amortization	0	525
	-----	-----
Total Expenses	112,502	100,892
	-----	-----
Loss Before Equity in Losses of		
Project Partnerships and Other Income	(107,109)	(96,184)
Equity in Losses of Project Partnerships	0	(17,055)
Interest Income	10,826	9,398
	-----	-----
Net Loss	\$ (96,283)	\$ (103,841)
	=====	=====
Allocation of Net Loss:		
Assignees	\$ (95,320)	\$ (102,803)
General Partners	(963)	(1,038)
	-----	-----
	\$ (96,283)	\$ (103,841)
	=====	=====
Net Loss Per Beneficial		
Assignee Certificate	\$ (15.53)	\$ (16.75)
Number of Beneficial Assignee	=====	=====
Certificates Outstanding	6,136	6,136
	=====	=====

See accompanying notes to financial statements.

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

STATEMENTS OF OPERATIONS  
FOR THE NINE MONTHS ENDED DECEMBER 31,  
(Unaudited)

SERIES 3	2006	2005
	----	----
Revenues:		
Distribution Income	\$ 11,814	\$ 20,430
	-----	-----
Total Revenues	11,814	20,430
	-----	-----
Expenses:		
Asset Management Fee-General Partner	46,843	47,037
General and Administrative:		
General Partner	48,817	36,478
Other	16,160	17,285
	-----	-----
Total Expenses	111,820	100,800
	-----	-----
Loss Before Equity in Losses of		
Project Partnerships and Other Income	(100,006)	(80,370)
Equity in Losses of Project Partnerships	0	0
Gain on Sale of Partnership Assets	99,410	0
Interest Income	9,821	8,733
	-----	-----
Net Income (Loss)	\$ 9,225	\$ (71,637)
	=====	=====
Allocation of Net Income (Loss):		
Assignees	\$ 9,133	\$ (70,921)
General Partners	92	(716)
	-----	-----
	\$ 9,225	\$ (71,637)
	=====	=====
Net Income (Loss) Per Beneficial		
Assignee Certificate	\$ 1.67	\$ (13.00)
Number of Beneficial Assignee	=====	=====
Certificates Outstanding	5,456	5,456
	=====	=====

See accompanying notes to financial statements.

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

STATEMENTS OF OPERATIONS  
FOR THE NINE MONTHS ENDED DECEMBER 31,  
(Unaudited)

SERIES 4	2006	2005
	----	----
Revenues:		
Distribution Income	\$ 13,347	\$ 13,584
	-----	-----
Total Revenues	13,347	13,584
	-----	-----
Expenses:		
Asset Management Fee-General Partner	57,697	57,903
General and Administrative:		
General Partner	61,552	45,994
Other	18,395	17,645
	-----	-----
Total Expenses	137,644	121,542
	-----	-----
Loss Before Equity in Losses of		
Project Partnerships and Other Income	(124,297)	(107,958)
Equity in Losses of Project Partnerships	0	0
Interest Income	12,549	11,486
	-----	-----
Net Loss	\$ (111,748)	\$ (96,472)
	=====	=====
Allocation of Net Loss:		
Assignees	\$ (110,631)	\$ (95,507)
General Partners	(1,117)	(965)
	-----	-----
	\$ (111,748)	\$ (96,472)
	=====	=====
Net Loss Per Beneficial Assignee		
Certificate	\$ (16.00)	\$ (13.81)
Number of Beneficial Assignee	=====	=====
Certificates Outstanding	6,915	6,915
	=====	=====

See accompanying notes to financial statements.



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

STATEMENTS OF OPERATIONS  
FOR THE NINE MONTHS ENDED DECEMBER 31,  
(Unaudited)

SERIES 5	2006	2005
	----	----
Revenues:		
Distribution Income	\$ 20,682	\$ 17,635
	-----	-----
Total Revenues	20,682	17,635
	-----	-----
Expenses:		
Asset Management Fee-General Partner	69,288	69,540
General and Administrative:		
General Partner	74,287	57,096
Other	18,574	18,372
Amortization	11,577	1,503
	-----	-----
Total Expenses	173,726	146,511
	-----	-----
Loss Before Equity in Income (Losses) of		
Project Partnerships and Other Income	(153,044)	(128,876)
Equity in Income (Losses) of Project		
Partnerships	3,964	(3,636)
Interest Income	11,058	12,813
	-----	-----
Net Loss	\$ (138,022)	\$ (119,699)
	=====	=====
Allocation of Net Loss:		
Assignees	\$ (136,642)	\$ (118,502)
General Partners	(1,380)	(1,197)
	-----	-----
	\$ (138,022)	\$ (119,699)
	=====	=====
Net Loss Per Beneficial Assignee		
Certificate	\$ (15.86)	\$ (13.75)
Number of Beneficial Assignee	=====	=====
Certificates Outstanding	8,616	8,616
	=====	=====

See accompanying notes to financial statements.

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

STATEMENTS OF OPERATIONS  
FOR THE NINE MONTHS ENDED DECEMBER 31,  
(Unaudited)

SERIES 6	2006	2005
	----	----
Revenues:		
Distribution Income	\$ 24,741	\$ 18,370
	-----	-----
Total Revenues	24,741	18,370
	-----	-----
Expenses:		
Asset Management Fee-General Partner	75,848	77,652
General and Administrative:		
General Partner	78,532	60,268
Other	21,761	15,331
Amortization	28,539	4,151
	-----	-----
Total Expenses	204,680	157,402
	-----	-----
Loss Before Equity in Income (Losses) of		
Project Partnerships and Other Income	(179,939)	(139,032)
Equity in Income (Losses) of Project		
Partnerships	12,561	(12,270)
Gain on Sale of Partnership Assets	0	224,074
Interest Income	20,083	19,368
	-----	-----
Net (Loss) Income	\$ (147,295)	\$ 92,140
	=====	=====
Allocation of Net (Loss) Income:		
Assignees	\$ (145,822)	\$ 9,099
General Partners	(1,473)	83,041
	-----	-----
	\$ (147,295)	\$ 92,140
	=====	=====
Net (Loss) Income Per Beneficial Assignee		
Certificate	\$ (14.43)	\$ .90
Number of Beneficial Assignee	=====	=====
Certificates Outstanding	10,105	10,105
	=====	=====

See accompanying notes to financial statements.

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

STATEMENTS OF OPERATIONS  
FOR THE NINE MONTHS ENDED DECEMBER 31,  
(Unaudited)

TOTAL SERIES 2 - 6	2006	2005
	----	----
Revenues:		
Distribution Income	\$ 75,977	\$ 74,727
	-----	-----
Total Revenues	75,977	74,727
	-----	-----
Expenses:		
Asset Management Fee-General Partner	300,210	302,838
General and Administrative:		
General Partner	309,882	234,728
Other	90,164	83,402
Amortization	40,116	6,179
	-----	-----
Total Expenses	740,372	627,147
	-----	-----
Loss Before Equity in Income (Losses) of		
Project Partnerships and Other Income	(664,395)	(552,420)
Equity in Income (Losses) of Project		
Partnerships	16,525	(32,961)
Gain on Sale of Partnership Assets	99,410	224,074
Interest Income	64,337	61,798
	-----	-----
Net Loss	\$ (484,123)	\$ (299,509)
	=====	=====
Allocation of Net Loss:		
Assignees	\$ (479,282)	\$ (378,634)
General Partners	(4,841)	79,125
	-----	-----
	\$ (484,123)	\$ (299,509)
	=====	=====

See accompanying notes to financial statements.

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

STATEMENTS OF PARTNERS' EQUITY (DEFICIT)  
FOR THE NINE MONTHS ENDED DECEMBER 31, 2006 AND 2005  
(Unaudited)

SERIES 2	Assignees -----	General Partners -----	Total -----
Balance at March 31, 2005	\$ (126,760)	\$ (55,623)	\$ (182,383)
Net Loss	(102,803) -----	(1,038) -----	(103,841) -----
Balance at December 31, 2005	\$ (229,563) =====	\$ (56,661) =====	\$ (286,224) =====
Balance at March 31, 2006	\$ (281,595)	\$ (57,187)	\$ (338,782)
Net Loss	(95,320) -----	(963) -----	(96,283) -----
Balance at December 31, 2006	\$ (376,915) =====	\$ (58,150) =====	\$ (435,065) =====

See accompanying notes to financial statements.

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

STATEMENTS OF PARTNERS' EQUITY (DEFICIT)  
FOR THE NINE MONTHS ENDED DECEMBER 31, 2006 AND 2005  
(Unaudited)

SERIES 3	Assignees -----	General Partners -----	Total -----
Balance at March 31, 2005	\$ (100,780)	\$ (49,316)	\$ (150,096)
Net Loss	(70,921) -----	(716) -----	(71,637) -----
Balance at December 31, 2005	\$ (171,701) =====	\$ (50,032) =====	\$ (221,733) =====
Balance at March 31, 2006	\$ (207,975)	\$ (50,399)	\$ (258,374)
Net Income	9,133	92	9,225
Distributions	(99,600) -----	0 -----	(99,600) -----
Balance at December 31, 2006	\$ (298,442) =====	\$ (50,307) =====	\$ (348,749) =====

See accompanying notes to financial statements.

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

STATEMENTS OF PARTNERS' EQUITY (DEFICIT)  
FOR THE NINE MONTHS ENDED DECEMBER 31, 2006 AND 2005  
(Unaudited)

SERIES 4	Assignees -----	General Partners -----	Total -----
Balance at March 31, 2005	\$ (117,046)	\$ (62,450)	\$ (179,496)
Net Loss	(95,507) -----	(965) -----	(96,472) -----
Balance at December 31, 2005	\$ (212,553) =====	\$ (63,415) =====	\$ (275,968) =====
Balance at March 31, 2006	\$ (253,967)	\$ (63,833)	\$ (317,800)
Net Loss	(110,631) -----	(1,117) -----	(111,748) -----
Balance at December 31, 2006	\$ (364,598) =====	\$ (64,950) =====	\$ (429,548) =====

See accompanying notes to financial statements.

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

STATEMENTS OF PARTNERS' EQUITY (DEFICIT)  
FOR THE NINE MONTHS ENDED DECEMBER 31, 2006 AND 2005  
(Unaudited)

SERIES 5	Assignees -----	General Partners -----	Total -----
Balance at March 31, 2005	\$ 123,860	\$ 0	\$ 123,860
Net Loss	(118,502) -----	(1,197) -----	(119,699) -----
Balance at December 31, 2005	\$ 5,358 =====	\$ (1,197) =====	\$ 4,161 =====
Balance at March 31, 2006	\$ (82,842)	\$ (2,088)	\$ (84,930)
Net Loss	(136,642) -----	(1,380) -----	(138,022) -----
Balance at December 31, 2006	\$ (219,484) =====	\$ (3,468) =====	\$ (222,952) =====

See accompanying notes to financial statements.

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

STATEMENTS OF PARTNERS' EQUITY (DEFICIT)  
FOR THE NINE MONTHS ENDED DECEMBER 31, 2006 AND 2005  
(Unaudited)

SERIES 6	Assignees -----	General Partners -----	Total -----
Balance at March 31, 2005	\$ 651,535	\$ (83,041)	\$ 568,494
Net Income	9,099	83,041	92,140
Distributions	(224,074)	0	(224,074)
	-----	-----	-----
Balance at December 31, 2005	\$ 436,560 =====	\$ 0 =====	\$ 436,560 =====
Balance at March 31, 2006	\$ 2,162	\$ 0	\$ 2,162
Net Loss	(145,822)	(1,473)	(147,295)
	-----	-----	-----
Balance at December 31, 2006	\$ (143,660) =====	\$ (1,473) =====	\$ (145,133) =====

See accompanying notes to financial statements.



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

STATEMENTS OF PARTNERS' EQUITY (DEFICIT)  
FOR THE NINE MONTHS ENDED DECEMBER 31, 2006 AND 2005  
(Unaudited)

TOTAL SERIES 2 - 6	Assignees -----	General Partners -----	Total -----
Balance at March 31, 2005	\$ 430,809	\$ (250,430)	\$ 180,379
Net Income (Loss)	(378,634)	79,125	(299,509)
Distributions	(224,074) -----	0 -----	(224,074) -----
Balance at December 31, 2005	\$ (171,899) =====	\$ (171,305) =====	\$ (343,204) =====
Balance at March 31, 2006	\$ (824,217)	\$ (173,507)	\$ (997,724)
Net Loss	(479,282)	(4,841)	(484,123)
Distributions	(99,600) -----	0 -----	(99,600) -----
Balance at December 31, 2006	\$(1,403,099) =====	\$ (178,348) =====	\$(1,581,447) =====

See accompanying notes to financial statements.

GATEWAY TAX CREDIT FUND II LTD.  
(A Florida Limited Partnership)  
STATEMENTS OF CASH FLOWS  
FOR THE NINE MONTHS ENDED DECEMBER 31, 2006 AND 2005  
(Unaudited)

SERIES 2	2006	2005
-----	----	----
Cash Flows from Operating Activities:		
Net Loss	\$ (96,283)	\$(103,841)
Adjustments to Reconcile Net Loss to Net		
Cash Used in Operating Activities:		
Amortization	0	525
Accreted Interest Income on Investments in		
Securities	(3,033)	(3,667)
Equity in Losses of Project Partnerships	0	17,055
Distribution Income	(5,393)	(4,708)
Changes in Operating Assets and Liabilities:		
Increase in Payable to General Partners	48,949	50,952
Decrease in Other Payable	(8,030)	0
	-----	-----
Net Cash Used in Operating		
Activities	(63,790)	(43,684)
	-----	-----
Cash Flows from Investing Activities:		
Distributions Received from Project		
Partnerships	5,393	4,708
Redemption of Investment in Securities	66,276	63,562
Investment in Securities	(125,177)	0
	-----	-----
Net Cash (Used in) Provided by Investing		
Activities	(53,508)	68,270
	-----	-----
(Decrease) Increase in Cash and Cash Equivalents	(117,298)	24,586
Cash and Cash Equivalents at Beginning of Year	250,529	235,004
	-----	-----
Cash and Cash Equivalents at End of Period	\$ 133,231	\$ 259,590
	=====	=====

See accompanying notes to financial statements.

GATEWAY TAX CREDIT FUND II LTD.  
(A Florida Limited Partnership)  
STATEMENTS OF CASH FLOWS  
FOR THE NINE MONTHS ENDED DECEMBER 31, 2006 AND 2005  
(Unaudited)

SERIES 3 -----	2006 ----	2005 ----
Cash Flows from Operating Activities:		
Net Income (Loss)	\$ 9,225	\$ (71,637)
Adjustments to Reconcile Net Income (Loss) to Net Cash Used in Operating Activities:		
Accreted Interest Income on Investments in Securities	(3,033)	(3,261)
Gain on Sale of Partnership Assets	(99,410)	0
Distribution Income	(11,814)	(20,430)
Changes in Operating Assets and Liabilities:		
Increase in Payable to General Partners	45,039	47,273
Increase in Distribution Payable	28	0
Decrease in Other Payable	(6,900)	0
	-----	-----
Net Cash Used in Operating Activities	(66,865)	(48,055)
	-----	-----
Cash Flows from Investing Activities:		
Distributions Received from Project Partnerships	11,814	20,430
Proceeds from Sale of Project Partnerships	100,000	0
Redemption of Investment in Securities	58,952	56,536
Investment in Securities	(125,177)	0
	-----	-----
Net Cash Provided by Investing Activities	45,589	76,966
	-----	-----
Cash Flows from Financing Activities:		
Distributions Paid to Limited Partners	(99,600)	0
Expenses Related to Distributions	(590)	0
	-----	-----
Net Cash Used in Financing Activities	(100,190)	0
	-----	-----
(Decrease) Increase in Cash and Cash Equivalents	(121,466)	28,911
Cash and Cash Equivalents at Beginning of Year	236,035	218,547
	-----	-----
Cash and Cash Equivalents at End of Period	\$ 114,569	\$ 247,458
	=====	=====

See accompanying notes to financial statements.

GATEWAY TAX CREDIT FUND II LTD.  
(A Florida Limited Partnership)  
STATEMENTS OF CASH FLOWS  
FOR THE NINE MONTHS ENDED DECEMBER 31, 2006 AND 2005  
(Unaudited)

SERIES 4	2006	2005
-----	----	----
Cash Flows from Operating Activities:		
Net Loss	\$(111,748)	\$ (96,472)
Adjustments to Reconcile Net Loss to Net		
Cash Used in Operating Activities:		
Accreted Interest Income on Investments in		
Securities	(4,251)	(4,132)
Distribution Income	(13,347)	(13,584)
Changes in Operating Assets and Liabilities:		
Increase in Payable to General Partners	55,212	58,181
Decrease in Other Payable	(8,030)	0
	-----	-----
Net Cash Used in Operating Activities	(82,164)	(56,007)
	-----	-----
Cash Flows from Investing Activities:		
Distributions Received from Project		
Partnerships	13,347	13,584
Redemption of Investment in Securities	74,685	71,627
Investment in Securities	(175,444)	0
	-----	-----
Net Cash (Used in) Provided by Investing		
Activities	(87,412)	85,211
	-----	-----
(Decrease) Increase in Cash and Cash Equivalents	(169,576)	29,204
Cash and Cash Equivalents at Beginning of Year	322,204	304,447
	-----	-----
Cash and Cash Equivalents at End of Period	\$ 152,628	\$ 333,651
	=====	=====

See accompanying notes to financial statements.

GATEWAY TAX CREDIT FUND II LTD.  
(A Florida Limited Partnership)  
STATEMENTS OF CASH FLOWS  
FOR THE NINE MONTHS ENDED DECEMBER 31, 2006 AND 2005  
(Unaudited)

SERIES 5	2006	2005
-----	----	----
Cash Flows from Operating Activities:		
Net Loss	\$(138,022)	\$(119,699)
Adjustments to Reconcile Net Loss to Net		
Cash Used in Operating Activities:		
Amortization	11,577	1,503
Accreted Interest Income on Investments in		
Securities	(2,412)	(5,150)
Equity in (Income) Losses of Project		
Partnerships	(3,964)	3,636
Distribution Income	(20,682)	(17,635)
Changes in Operating Assets and Liabilities:		
Decrease in Accounts Receivable - Other	912	0
Increase in Payable to General Partners	67,196	70,000
Decrease in Other Payable	(3,650)	(700)
	-----	-----
Net Cash Used in Operating		
Activities	(89,045)	(68,045)
	-----	-----
Cash Flows from Investing Activities:		
Distributions Received from Project		
Partnerships	24,903	20,114
Redemption of Investment in Securities	93,086	89,274
Investment in Securities	(99,551)	0
	-----	-----
Net Cash Provided by Investing		
Activities	18,438	109,388
	-----	-----
(Decrease) Increase in Cash and Cash Equivalents	(70,607)	41,343
Cash and Cash Equivalents at Beginning of Year	262,439	238,360
	-----	-----
Cash and Cash Equivalents at End of Period	\$ 191,832	\$ 279,703
	=====	=====

See accompanying notes to financial statements.

GATEWAY TAX CREDIT FUND II LTD.  
(A Florida Limited Partnership)  
STATEMENTS OF CASH FLOWS  
FOR THE NINE MONTHS ENDED DECEMBER 31, 2006 AND 2005  
(Unaudited)

SERIES 6	2006	2005
-----	----	----
Cash Flows from Operating Activities:		
Net Loss	\$(147,295)	\$ 92,140
Adjustments to Reconcile Net Loss to Net Cash Used in Operating Activities:		
Amortization	28,539	4,151
Accreted Interest Income on Investments in Securities	(11,142)	(8,365)
Equity in (Income) Losses of Project Partnerships	(12,561)	12,270
Gain on Sale of Partnership Assets	0	(224,074)
Distribution Income	(24,741)	(18,370)
Changes in Operating Assets and Liabilities:		
Decrease in Accounts Receivable - Other	0	700
Increase in Payable to General Partners	73,349	78,099
Decrease in Other Payable	0	(500)
	-----	-----
Net Cash Used In Operating Activities	(93,851)	(63,949)
	-----	-----
Cash Flows from Investing Activities:		
Distributions Received from Project Partnerships	27,717	20,460
Proceeds from Sale of Project Partnerships	0	225,574
Investment in Securities	(274,991)	0
	-----	-----
Net Cash (Used in) Provided by Investing Activities	(247,274)	246,034
	-----	-----
Cash Flows from Financing Activities:		
Distributions Paid to Limited Partners	0	(224,028)
Expense Related to Distributions	0	(1,500)
	-----	-----
Net Cash Used in Financing Activities	0	(225,528)
	-----	-----
Decrease in Cash and Cash Equivalents	(341,125)	(43,443)
Cash and Cash Equivalents at Beginning of Year	463,580	444,751
	-----	-----
Cash and Cash Equivalents at End of Period	\$ 122,455	\$ 401,308
	=====	=====

See accompanying notes to financial statements.

GATEWAY TAX CREDIT FUND II LTD.  
(A Florida Limited Partnership)  
STATEMENTS OF CASH FLOWS  
FOR THE NINE MONTHS ENDED DECEMBER 31, 2006 AND 2005  
(Unaudited)

TOTAL SERIES 2 - 6	2006	2005
-----	----	----
Cash Flows from Operating Activities:		
Net Loss	\$ (484,123)	\$ (299,509)
Adjustments to Reconcile Net Loss to Net		
Cash Used in Operating Activities:		
Amortization	40,116	6,179
Accreted Interest Income on Investments		
in Securities	(23,871)	(24,575)
Equity in (Income) Losses of Project		
Partnerships	(16,525)	32,961
Gain on Sale of Partnership Assets	(99,410)	(224,074)
Distribution Income	(75,977)	(74,727)
Changes in Operating Assets and Liabilities:		
Decrease in Accounts Receivable - Other	912	700
Increase in Payable to General Partners	289,745	304,505
Increase in Distribution Payable	28	0
Decrease in Other Payable	(26,610)	(1,200)
	-----	-----
Net Cash Used in Operating		
Activities	(395,715)	(279,740)
	-----	-----
Cash Flows from Investing Activities:		
Distributions Received from Project		
Partnerships	83,174	79,296
Proceeds from Sale of Project Partnerships	100,000	225,574
Redemption of Investment in Securities	292,999	280,999
Investment in Securities	(800,340)	0
	-----	-----
Net Cash (Used in) Provided by Investing		
Activities	(324,167)	585,869
	-----	-----
Cash Flows from Financing Activities:		
Distributions Paid to Limited Partners	(99,600)	(224,028)
Expenses Related to Distributions	(590)	(1,500)
	-----	-----
Net Cash Used in Financing Activities	(100,190)	(225,528)
	-----	-----
(Decrease) Increase in Cash and Cash Equivalents	(820,072)	80,601
Cash and Cash Equivalents at Beginning of Year	1,534,787	1,441,109
	-----	-----
Cash and Cash Equivalents at End of Period	\$ 714,715	\$1,521,710
	=====	=====

See accompanying notes to financial statements.

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

NOTES TO FINANCIAL STATEMENTS  
(Unaudited)  
DECEMBER 31, 2006

NOTE 1 - ORGANIZATION:

Gateway Tax Credit Fund II Ltd. ("Gateway" or "Partnership"), a Florida Limited Partnership, was formed September 12, 1989, under the laws of Florida. Operations commenced on September 14, 1990 for Series 2, September 28, 1990 for Series 3, February 1, 1991 for Series 4, July 1, 1991 for Series 5 and January 1, 1992 for Series 6. Gateway has invested, as a limited partner, in other limited partnerships ("Project Partnerships") each of which owns and operates one or more apartment complexes expected to qualify for Low-Income Housing Tax Credits. Gateway will terminate on December 31, 2040, or sooner, in accordance with the terms of the Limited Partnership Agreement. As of December 31, 2006, Gateway had received capital contributions of \$1,000 from the General Partners and \$37,228,000 from Beneficial Assignee Certificate investors (the "Assignees"). The fiscal year of Gateway for reporting purposes ends on March 31.

Pursuant to the Securities Act of 1933, Gateway filed a Form S-11 Registration Statement with the Securities and Exchange Commission, effective September 12, 1989, which covered the offering (the "Public Offering") of Gateway's Beneficial Assignee Certificates ("BACs") representing assignments of units for the beneficial interest of the limited partnership interest of the Assignor Limited Partner. The Assignor Limited Partner was formed for the purpose of serving in that capacity for the Fund and will not engage in any other business.

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

Gateway offered BACs in five series ("Series"). BACs in the amounts of \$6,136,000, \$5,456,000, \$6,915,000, \$8,616,000 and \$10,105,000 for Series 2, 3, 4, 5 and 6, respectively had been issued as of September 30, 2006. Each Series is treated as a separate partnership, investing in a separate and distinct pool of Project Partnerships. Net proceeds from each Series are used to acquire Project Partnerships which are specifically allocated to such Series. Income or loss and all tax items from the Project Partnerships acquired by each Series are specifically allocated among the Assignees of such Series.

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

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES:

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") 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:



NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (Continued):

- 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.

For the fiscal year ended March 31, 2006, Gateway changed the period over which the intangible acquisition fees and expenses are amortized. In all prior years, the period in which such intangible assets had been amortized was 35 years. In the fiscal year ended March 31, 2006, this amortization period was changed to 15 years to better approximate the period over which the benefits of these investments are realized. As a result of this change in estimate, an additional amortization expense of \$23,779 for Series 5 and \$33,465 for Series 6, or a total of \$57,244 for all Series of Gateway, was recognized during the year-ended March 31, 2006, as compared to the amortization expense amount which would have been realized had the estimated amortization period not changed during the year. The amortization expense is shown on the Statements of Operations.

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

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

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, 2006. For the fiscal year ended March 31, 2006, impairment expense was recognized in the statement of operations in Series 6 in the total amount of \$343,241. Refer to Note 5 - Investment in Project Partnerships for further details regarding the components of the Investment in Project Partnership balance.

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

Cash and Cash Equivalents

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

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

### Concentration of Credit Risk

Financial instruments which potentially subject Gateway to concentrations of credit risk consist of cash investments in a money market mutual fund that is advised by 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.

### Investment in Securities

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

### Income Taxes

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

### Variable Interest Entities

In January 2003, the FASB issued FASB Interpretation No. 46 ("FIN46"), "Consolidation of Variable Interest Entities, an Interpretation of ARB No. 51," which was subsequently revised in December, 2003. Gateway has adopted FIN 46 and applied its requirements to all Project Partnerships in which Gateway held 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 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 140 VIE's, which consist of Project Partnerships, which Gateway is not the primary beneficiary. Gateway's maximum exposure to loss as a result of its involvement with unconsolidated VIE's is limited to Gateway's recorded investments in and receivables from those VIE's, which is approximately \$493,127 at December 31, 2006. Gateway may be subject to additional losses to the extent of any financial support that Gateway voluntarily provides to those Project Partnerships in the future.

### 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

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (Continued):

principles. These statements should be read in conjunction with the financial statements and notes thereto included with the Partnership's report on Form 10-K for the year ended March 31, 2006. In the opinion of management these financial statements include adjustments, consisting only of normal recurring adjustments, necessary to fairly summarize the Partnership's financial position and results of operations. The results of operations for the periods may not be indicative of the results to be expected for the year.

NOTE 3 - INVESTMENT IN SECURITIES:

The December 31, 2006 Balance Sheet includes Investment in Securities consisting of U.S. Government Security Strips and U.S. Treasury Notes which represents their cost, plus accreted interest income of \$3,033 for Series 2, \$3,033 for Series 3, \$4,252 for Series 4, \$2,412 for Series 5 and \$60,996 for Series 6. The Investment in Securities are commonly held in a brokerage account with Raymond James and Associates, Inc. A separate accounting is maintained for each series' share of the investments.

	Estimated Market Value	Cost Plus Accreted Interest	Gross Unrealized Gains and (Losses)
	-----	-----	-----
Series 2	\$ 126,147	\$ 128,210	\$ (2,063)
Series 3	126,147	128,210	(2,063)
Series 4	176,804	179,695	(2,891)
Series 5	100,321	101,963	(1,642)
Series 6	359,630	364,503	(4,873)

As of December 31, 2006, the cost and accreted interest of debt securities by contractual maturities is as follows:

	Series 2	Series 3	Series 4
	-----	-----	-----
Due within 1 year	\$ 128,210	\$ 128,210	\$ 179,695
After 1 year through 5 years	0	0	0
	-----	-----	-----
Total Amount Carried on Balance Sheet	\$ 128,210	\$ 128,210	\$ 179,695
	=====	=====	=====
	Series 5	Series 6	Total
	-----	-----	-----
Due within 1 year	\$ 101,963	\$ 364,503	\$ 902,581
After 1 year through 5 years	0	0	0
	-----	-----	-----
Total Amount Carried on Balance Sheet	\$ 101,963	\$ 364,503	\$ 902,581
	=====	=====	=====

NOTE 4 - RELATED PARTY TRANSACTIONS:

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

For the nine months ended December 31, 2006 and 2005 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 be paid an annual asset management fee equal to 0.25% of the aggregate cost of Gateway's interest in the projects owned by the Project Partnerships. The asset management fee will be paid only after all other expenses of Gateway have been paid. These fees are included in the Statements of Operations.

NOTE 4 - RELATED PARTY TRANSACTIONS (Continued):

	2006	2005
	-----	-----
Series 2	\$ 50,534	\$ 50,706
Series 3	46,843	47,037
Series 4	57,697	57,903
Series 5	69,288	69,540
Series 6	75,848	77,652
	-----	-----
Total	\$ 300,210	\$ 302,838
	=====	=====

General and Administrative Expenses - The Managing General Partner is reimbursed for general and administrative expenses of Gateway on an accountable basis. This expense is included in the Statements of Operations.

	2006	2005
	-----	-----
Series 2	\$ 46,694	\$ 34,892
Series 3	48,817	36,478
Series 4	61,552	45,994
Series 5	74,287	57,096
Series 6	78,532	60,268
	-----	-----
Total	\$ 309,882	\$ 234,728
	=====	=====

NOTE 5 - INVESTMENTS IN PROJECT PARTNERSHIPS:

SERIES 2

As of December 31, 2006, the Partnership had acquired a 99% interest in the profits, losses and tax credits as a limited partner in 22 Project Partnerships which own and operate government assisted multi-family housing complexes. Cash flows from operations are allocated according to each Partnership agreement. Upon dissolution proceeds will be distributed according to each Partnership agreement.

The following is a summary of Investments in the 22 Project Partnerships as of:

	DECEMBER 31, 2006	MARCH 31, 2006
	-----	-----
Capital Contributions to Project Partnerships and purchase price paid for limited partner interests in Project Partnerships	\$ 4,524,678	\$ 4,524,678
Cumulative equity in losses of Project Partnerships (1)	(4,742,761)	(4,742,761)
Cumulative distributions received from Project Partnerships	(87,605)	(87,605)
	-----	-----
Investment in Project Partnerships before Adjustment	(305,688)	(305,688)
Excess of investment cost over the underlying assets acquired:		
Acquisition fees and expenses	390,838	390,838
Accumulated amortization of acquisition fees and expenses	(85,150)	(85,150)
	-----	-----
Investments in Project Partnerships	\$ 0	\$ 0
	=====	=====

(1) In accordance with the Partnership's accounting policy to not carry Investments in Project Partnerships below zero, cumulative suspended losses of \$5,887,074 for the period ended December 31, 2006 and cumulative suspended losses of \$5,632,737 for the year ended March 31, 2006 are not included.

NOTE 5 - INVESTMENTS IN PROJECT PARTNERSHIPS (continued):

SERIES 3

As of December 31, 2006, the Partnership had acquired a 99% interest in the profits, losses and tax credits as a limited partner in 22 Project Partnerships which own and operate government assisted multi-family housing complexes. Cash flows from operations are allocated according to each Partnership agreement. Upon dissolution proceeds will be distributed according to each Partnership agreement.

The following is a summary of Investments in the 22 Project Partnerships as of:

	DECEMBER 31, 2006 -----	MARCH 31, 2006 -----
Capital Contributions to Project Partnerships and purchase price paid for limited partner interests in Project Partnerships	\$ 3,735,251	\$ 3,888,713
Cumulative equity in losses of Project Partnerships (1)	(3,974,027)	(4,133,478)
Cumulative distributions received from Project Partnerships	(157,005)	(164,417)
Investment in Project Partnerships before Adjustment	(395,781)	(409,182)
Excess of investment cost over the underlying assets acquired:		
Acquisition fees and expenses	474,160	491,746
Accumulated amortization of acquisition fees and expenses	(78,379)	(82,564)
Investments in Project Partnerships	\$ 0 =====	\$ 0 =====

(1) In accordance with the Partnership's accounting policy to not carry Investments in Project Partnerships below zero, cumulative suspended losses of \$6,673,893 for the period ended December 31, 2006 and cumulative suspended losses of \$6,446,347 for the year ended March 31, 2006 are not included.

In November 2006, Gateway sold its Project Partnership investment in Birchwood Apartments. Gateway has received \$99,600 in net proceeds and has estimated a net gain of \$99,410 on the sale of this property which is included in Gain on Sale of Partnership Assets on the Combined Statement of Operations. This estimate will change as final financial information regarding the Project Partnership becomes available in fiscal year 2007. Of the \$99,600 received in sales proceeds from this sale, \$99,572 was distributed to the Limited Partners during the quarter ended December 31, 2006 and the \$28 not distributed is reflected as a Distribution Payable on the Balance Sheet.

Subsequent to this quarter-end, Gateway sold its Project Partnership investment in Southwood Apartments, Plaza Senior Village Apartments, Brubaker Square Apartments and Villa Allegra Apartments. Gateway expects to receive and distribute to BAC holders approximately \$301,612 in net proceeds, or \$55.28 per BAC unit, in the subsequent quarter from these sale transactions.

NOTE 5 - INVESTMENTS IN PROJECT PARTNERSHIPS (continued):

SERIES 4

As of December 31, 2006, the Partnership had acquired a 99% interest in the profits, losses and tax credits as a limited partner in 29 Project Partnerships which own and operate government assisted multi-family housing complexes. Cash flows from operations are allocated according to each Partnership agreement. Upon dissolution proceeds will be distributed according to each Partnership agreement.

The following is a summary of Investments in the 29 Project Partnerships as of:

	DECEMBER 31, 2006 -----	MARCH 31, 2006 -----
Capital Contributions to Project Partnerships and purchase price paid for limited partner interests in Project Partnerships	\$ 4,952,519	\$ 4,952,519
Cumulative equity in losses of Project Partnerships (1)	(5,268,905)	(5,268,905)
Cumulative distributions received from Project Partnerships	(124,819)	(124,819)
	-----	-----
Investment in Project Partnerships before Adjustment	(441,205)	(441,205)
Excess of investment cost over the underlying assets acquired:		
Acquisition fees and expenses	562,967	562,967
Accumulated amortization of acquisition fees and expenses	(121,762)	(121,762)
	-----	-----
Investments in Project Partnerships	\$           0 =====	\$           0 =====

(1) In accordance with the Partnership's accounting policy to not carry Investments in Project Partnerships below zero, cumulative suspended losses of \$5,917,748 for the period ended December 31, 2006 and cumulative suspended losses of \$5,604,678 for the year ended March 31, 2006 are not included.

Subsequent to this quarter-end, Gateway sold its Project Partnership investment in Alsace Village Apartments and Greenbriar Apartments. Gateway received and will distribute to BAC holders approximately \$61,000 in net proceeds or \$8.82 per BAC unit, from these sale transactions in the subsequent quarter.

NOTE 5 - INVESTMENTS IN PROJECT PARTNERSHIPS (continued):

SERIES 5

As of December 31, 2006, the Partnership had acquired a 99% interest in the profits, losses and tax credits as a limited partner in 35 Project Partnerships which own and operate government assisted multi-family housing complexes. Cash flows from operations are allocated according to each Partnership agreement. Upon dissolution proceeds will be distributed according to each Partnership agreement.

The following is a summary of Investments in the 35 Project Partnerships as of:

	DECEMBER 31, 2006 -----	MARCH 31, 2006 -----
Capital Contributions to Project Partnerships and purchase price paid for limited partner interests in Project Partnerships	\$ 6,010,273	\$ 6,010,273
Cumulative equity in losses of Project Partnerships (1)	(6,123,242)	(6,127,206)
Cumulative distributions received from Project Partnerships	(203,310)	(199,089)
	-----	-----
Investment in Project Partnerships before Adjustment	(316,279)	(316,022)
Excess of investment cost over the underlying assets acquired:		
Acquisition fees and expenses	632,419	632,419
Accumulated amortization of acquisition fees and expenses	(176,344)	(164,767)
	-----	-----
Investments in Project Partnerships	\$ 139,796 =====	\$ 151,630 =====

(1) In accordance with the Partnership's accounting policy to not carry Investments in Project Partnerships below zero, cumulative suspended losses of \$6,684,802 for the period ended December 31, 2006 and cumulative suspended losses of \$6,332,840 for the year ended March 31, 2006 are not included.

NOTE 5 - INVESTMENTS IN PROJECT PARTNERSHIPS (continued):

SERIES 6

As of December 31, 2006, the Partnership had acquired a 99% interest in the profits, losses and tax credits as a limited partner in 37 Project Partnerships which own and operate government assisted multi-family housing complexes. Cash flows from operations are allocated according to each Partnership agreement. Upon dissolution proceeds will be distributed according to each Partnership agreement.

The following is a summary of Investments in the 37 Project Partnerships as of:

	DECEMBER 31, 2006 -----	MARCH 31, 2006 -----
Capital Contributions to Project Partnerships and purchase price paid for limited partner interests in Project Partnerships	\$ 7,250,034	\$ 7,250,034
Cumulative equity in losses of Project Partnerships (1)	(6,833,293)	(6,845,853)
Cumulative distributions received from Project Partnerships	(221,286)	(218,311)
	-----	-----
Investment in Project Partnerships before Adjustment	195,455	185,870
Excess of investment cost over the underlying assets acquired:		
Acquisition fees and expenses	768,912	768,912
Accumulated amortization of acquisition fees and expenses	(267,795)	(239,256)
Impairment of Investment in Project Partnerships	(343,241)	(343,241)
	-----	-----
Investments in Project Partnerships	\$ 353,331 =====	\$ 372,285 =====

(1) In accordance with the Partnership's accounting policy to not carry Investments in Project Partnerships below zero, cumulative suspended losses of \$4,600,751 for the period ended December 31, 2006 and cumulative suspended losses of \$4,294,234 for the year ended March 31, 2006 are not included.



NOTE 5 - INVESTMENTS IN PROJECT PARTNERSHIPS (continued):

The following is a summary of Investments in Project Partnerships as of:

TOTAL SERIES 2 - 6	DECEMBER 31, 2006 -----	MARCH 31, 2006 -----
Capital Contributions to Project Partnerships and purchase price paid for limited partner interests in Project Partnerships	\$ 26,472,755	\$ 26,626,217
Cumulative equity in losses of Project Partnerships	(26,942,228)	(27,118,203)
Cumulative distributions received from Project Partnerships	(794,025) -----	(794,241) -----
Investment in Project Partnerships before Adjustment	(1,263,498)	(1,286,227)
Excess of investment cost over the underlying assets acquired:		
Acquisition fees and expenses	2,829,296	2,846,882
Accumulated amortization of acquisition fees and expenses	(729,430)	(693,499)
Impairment of Investment in Project Partnerships	(343,241) -----	(343,241) -----
Investments in Project Partnerships	\$ 493,127 =====	\$ 523,915 =====

NOTE 5 - INVESTMENTS IN PROJECT PARTNERSHIPS (continued):

In accordance with the Partnership's policy of presenting the financial information of the Project Partnerships on a three month lag, below is the summarized financial information for the Series' Project Partnerships as of September 30, of each year:

SERIES 2	2006	2005
	----	----
SUMMARIZED BALANCE SHEETS		
Assets:		
Current assets	\$ 2,308,986	\$ 2,141,388
Investment properties, net	14,338,758	15,127,627
Other assets	7,974	5,307
	-----	-----
Total assets	\$16,655,718	\$17,274,322
	=====	=====
Liabilities and Partners' Equity:		
Current liabilities	\$ 401,955	\$ 349,579
Long-term debt	22,653,237	22,746,522
	-----	-----
Total liabilities	23,055,192	23,096,101
	-----	-----
Partners' equity (deficit)		
Limited Partner	(6,253,766)	(5,692,496)
General Partners	(145,708)	(129,283)
	-----	-----
Total Partners' equity (deficit)	(6,399,474)	(5,821,779)
	-----	-----
Total liabilities and partners' equity	\$16,655,718	\$17,274,322
	=====	=====
SUMMARIZED STATEMENTS OF OPERATIONS		
Rental and other income	\$ 2,286,419	\$ 2,188,420
Expenses:		
Operating expenses	1,496,231	1,485,232
Interest expense	390,487	392,594
Depreciation and amortization	656,607	652,283
	-----	-----
Total expenses	2,543,325	2,530,109
	-----	-----
Net loss	\$ (256,906)	\$ (341,689)
	=====	=====
Other partners' share of net loss	\$ (2,569)	\$ (3,416)
	=====	=====
Partnerships' share of net loss	\$ (254,337)	\$ (338,273)
Suspended losses	254,337	321,218
	-----	-----
Equity in Losses of Project Partnerships	\$ 0	\$ (17,055)
	=====	=====

NOTE 5 - INVESTMENTS IN PROJECT PARTNERSHIPS (continued):

In accordance with the Partnership's policy of presenting the financial information of the Project Partnerships on a three month lag, below is the summarized financial information for the Series' Project Partnerships as of September 30, of each year:

SERIES 3	2006	2005
	----	----
SUMMARIZED BALANCE SHEETS		
Assets:		
Current assets	\$ 2,949,137	\$ 2,690,923
Investment properties, net	11,318,072	12,149,396
Other assets	157,201	168,482
	-----	-----
Total assets	\$14,424,410	\$15,008,801
	=====	=====
Liabilities and Partners' Equity:		
Current liabilities	\$ 306,973	\$ 240,380
Long-term debt	21,307,645	21,412,108
	-----	-----
Total liabilities	21,614,618	21,652,488
	-----	-----
Partners' equity (deficit)		
Limited Partner	(7,513,883)	(6,994,635)
General Partners	323,675	350,948
	-----	-----
Total Partners' equity (deficit)	(7,190,208)	(6,643,687)
	-----	-----
Total liabilities and partners' equity	\$14,424,410	\$15,008,801
	=====	=====
SUMMARIZED STATEMENTS OF OPERATIONS		
Rental and other income	\$ 2,289,044	\$ 2,170,431
Expenses:		
Operating expenses	1,469,140	1,429,269
Interest expense	332,766	340,274
Depreciation and amortization	718,768	724,390
	-----	-----
Total expenses	2,520,674	2,493,933
	-----	-----
Net loss	\$ (231,630)	\$ (323,502)
	=====	=====
Other partners' share of net loss	\$ (4,084)	\$ (5,033)
	=====	=====
Partnerships' share of net loss	\$ (227,546)	\$ (318,469)
Suspended losses	227,546	318,469
	-----	-----
Equity in Losses of Project Partnerships	\$ 0	\$ 0
	=====	=====

NOTE 5 - INVESTMENTS IN PROJECT PARTNERSHIPS (continued):

In accordance with the Partnership's policy of presenting the financial information of the Project Partnerships on a three month lag, below is the summarized financial information for the Series' Project Partnerships as of September 30, of each year:

SERIES 4	2006	2005
	----	----
SUMMARIZED BALANCE SHEETS		
Assets:		
Current assets	\$ 2,663,110	\$ 2,438,473
Investment properties, net	18,385,908	19,275,230
Other assets	40,878	55,525
	-----	-----
Total assets	\$21,089,896	\$21,769,228
	=====	=====
Liabilities and Partners' Equity:		
Current liabilities	\$ 802,431	\$ 720,884
Long-term debt	26,077,954	26,191,312
	-----	-----
Total liabilities	26,880,385	26,912,196
	-----	-----
Partners' equity (deficit)		
Limited Partner	(6,453,182)	(5,864,604)
General Partners	662,693	721,636
	-----	-----
Total Partners' equity (deficit)	(5,790,489)	(5,142,968)
	-----	-----
Total liabilities and partners' equity	\$21,089,896	\$21,769,228
	=====	=====
SUMMARIZED STATEMENTS OF OPERATIONS		
Rental and other income	\$ 2,753,087	\$ 2,575,610
Expenses:		
Operating expenses	1,847,153	1,795,518
Interest expense	439,766	440,441
Depreciation and amortization	783,141	774,896
	-----	-----
Total expenses	3,070,060	3,010,855
	-----	-----
Net loss	\$ (316,973)	\$ (435,245)
	=====	=====
Other partners' share of net loss	\$ (3,903)	\$ (5,662)
	=====	=====
Partnerships' share of net loss	\$ (313,070)	\$ (429,583)
Suspended losses	313,070	429,583
	-----	-----
Equity in Losses of Project Partnerships	\$ 0	\$ 0
	=====	=====

NOTE 5 - INVESTMENTS IN PROJECT PARTNERSHIPS (continued):

In accordance with the Partnership's policy of presenting the financial information of the Project Partnerships on a three month lag, below is the summarized financial information for the Series' Project Partnerships as of September 30, of each year:

SERIES 5	2006	2005
	----	----
SUMMARIZED BALANCE SHEETS		
Assets:		
Current assets	\$ 3,630,313	\$ 3,366,741
Investment properties, net	20,801,657	21,830,483
Other assets	7,470	69,922
	-----	-----
Total assets	\$24,439,440	\$25,267,146
	=====	=====
Liabilities and Partners' Equity:		
Current liabilities	\$ 583,922	\$ 603,695
Long-term debt	31,249,137	31,392,413
	-----	-----
Total liabilities	31,833,059	31,996,108
	-----	-----
Partners' equity (deficit)		
Limited Partner	(7,029,290)	(6,403,189)
General Partners	(364,329)	(325,773)
	-----	-----
Total Partners' equity (deficit)	(7,393,619)	(6,728,962)
	-----	-----
Total liabilities and partners' equity	\$24,439,440	\$25,267,146
	=====	=====
SUMMARIZED STATEMENTS OF OPERATIONS		
Rental and other income	\$ 3,308,479	\$ 3,143,615
Expenses:		
Operating expenses	2,239,114	2,177,970
Interest expense	518,233	524,343
Depreciation and amortization	902,646	918,889
	-----	-----
Total expenses	3,659,993	3,621,202
	-----	-----
Net loss	\$ (351,514)	\$ (477,587)
	=====	=====
Other partners' share of net loss	\$ (3,516)	\$ (4,775)
	=====	=====
Partnerships' share of net loss	\$ (347,998)	\$ (472,812)
Suspended losses	351,962	469,176
	-----	-----
Equity in Income (Losses) of Project Partnerships	\$ 3,964	\$ (3,636)
	=====	=====

NOTE 5 - INVESTMENTS IN PROJECT PARTNERSHIPS (continued):

In accordance with the Partnership's policy of presenting the financial information of the Project Partnerships on a three month lag, below is the summarized financial information for the Series' Project Partnerships as of September 30, of each year:

SERIES 6	2006	2005
	----	----
SUMMARIZED BALANCE SHEETS		
Assets:		
Current assets	\$ 4,561,108	\$ 4,452,060
Investment properties, net	24,373,437	26,048,444
Other assets	13,420	13,574
	-----	-----
Total assets	\$28,947,965	\$30,514,078
	=====	=====
Liabilities and Partners' Equity:		
Current liabilities	\$ 467,439	\$ 463,678
Long-term debt	33,511,342	34,688,448
	-----	-----
Total liabilities	33,978,781	35,152,126
	-----	-----
Partners' equity (deficit)		
Limited Partner	(4,516,474)	(4,147,046)
General Partners	(514,342)	(491,002)
	-----	-----
Total Partners' equity (deficit)	(5,030,816)	(4,638,048)
	-----	-----
Total liabilities and partners' equity	\$28,947,965	\$30,514,078
	=====	=====
SUMMARIZED STATEMENTS OF OPERATIONS		
Rental and other income	\$ 3,555,038	\$ 3,588,852
Expenses:		
Operating expenses	2,325,680	2,325,324
Interest expense	556,844	580,526
Depreciation and amortization	969,913	1,034,242
	-----	-----
Total expenses	3,852,437	3,940,092
	-----	-----
Net loss	\$ (297,399)	\$ (351,240)
	=====	=====
Other partners' share of net loss	\$ (3,443)	\$ (3,670)
	=====	=====
Partnerships' share of net loss	\$ (293,956)	\$ (347,570)
Suspended losses	306,517	335,300
	-----	-----
Equity in Income (Losses) of Project Partnerships	\$ 12,561	\$ (12,270)
	=====	=====

NOTE 5 - INVESTMENTS IN PROJECT PARTNERSHIPS (continued):

In accordance with the Partnership's policy of presenting the financial information of the Project Partnerships on a three month lag, below is the summarized financial information for the Series' Project Partnerships as of September 30, of each year:

TOTAL SERIES 2- 6	2006 ----	2005 ----
SUMMARIZED BALANCE SHEETS		
Assets:		
Current assets	\$ 16,112,654	\$ 15,089,585
Investment properties, net	89,217,832	94,431,180
Other assets	226,943	312,810
	-----	-----
Total assets	\$105,557,429	\$109,833,575
	=====	=====
Liabilities and Partners' Equity:		
Current liabilities	\$ 2,562,720	\$ 2,378,216
Long-term debt	134,799,315	136,430,803
	-----	-----
Total liabilities	137,362,035	138,809,019
	-----	-----
Partners' equity (deficit)		
Limited Partner	(31,766,595)	(29,101,970)
General Partners	(38,011)	126,526
	-----	-----
Total Partners' equity (deficit)	(31,804,606)	(28,975,444)
	-----	-----
Total liabilities and partners' equity	\$105,557,429	\$109,833,575
	=====	=====
SUMMARIZED STATEMENTS OF OPERATIONS		
Rental and other income	\$ 14,192,067	\$ 13,666,928
Expenses:		
Operating expenses	9,377,318	9,213,313
Interest expense	2,238,096	2,278,178
Depreciation and amortization	4,031,075	4,104,700
	-----	-----
Total expenses	15,646,489	15,596,191
	-----	-----
Net loss	\$ (1,454,422)	\$ (1,929,263)
	=====	=====
Other partners' share of net loss	\$ (17,515)	\$ (22,556)
	=====	=====
Partnerships' share of net loss	\$ (1,436,907)	\$ (1,906,707)
Suspended losses	1,453,432	1,873,746
	-----	-----
Equity in Income (Losses) of Project Partnerships	\$ 16,525	\$ (32,961)
	=====	=====

#### NOTE 6 - SALE OF PROJECT PARTNERSHIPS:

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. This process may take a number of years to complete. Gateway's objective is to receive fair market value for its interest in the properties and ultimately, to liquidate the Project Partnerships. Gateway has not classified the Project Partnerships as held for sale in the accompanying financial statements because Gateway believes they do not meet all of the criteria required by SFAS 144, "Accounting for the Impairment or Disposal of Long-Lived Assets".

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 projects debt holder to continue to maintain the property in the low-income housing program, and 2) the mortgage balance of the property is very near the initial balance as a result of the heavily subsidized debt of the Project Partnerships which offered extremely low interest rates to the borrower and lengthy (usually 50 year) amortization periods.

Originally, Gateway held 148 properties amongst its various Series. Of this total, 3 of the properties were sold as of December 31, 2006 and another 6 have been sold subsequent to quarter-end. The following summarizes the most recent status of the Project Partnership sale/disposal process for each Series:

#### Series 2

Originally there were 22 properties in this Series and none have been sold as of December 31, 2006. The following summarizes the status of the sale or disposition of those properties held by this Series as of December 31, 2006.

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

Lake Park  
Lakeshore Apartments

Lewiston  
Claxton Elderly

Should all these options be exercised, the estimated net sales proceeds to Gateway from the sales transactions are estimated to be \$451,904, or \$73.64 per BAC 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.

Gateway has approved the sale to the general partner of the Project Partnerships:

Inverness Club

Durango C.W.W.

The net proceeds from the sales of these Project Partnerships to Gateway are estimated to be \$356,600, or \$58.11 per limited partnership unit which would be available for distribution to the Limited Partners subsequent to closing of these sales transactions.

#### Series 3

Originally there were 23 properties in this Series and 1 has been sold as of December 31, 2006. The following summarizes the status of the sale or disposition of those properties held by this Series as of December 31, 2006.

Project Partnership currently listed for sale on a commercial real estate for sale website:

Sunchase II



NOTE 6 - SALE OF PROJECT PARTNERSHIPS (Continued):

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

Countrywood Apartments

Should this option be exercised, the estimated net sales proceeds to Gateway from the sales transaction are estimated to be \$83,750, or \$15.35 per BAC unit potentially available for distribution to the Limited Partners over the next 24 months. This option to purchase could expire without being exercised which would result in no sales proceeds and remarketing of the Project Partnership, the results of which are undeterminable.

Gateway has approved the sale to the general partner of the Project Partnership:

Belmont Senior

The estimated net proceeds from the sale of this Project Partnership to Gateway is estimated to be \$40,500, or \$7.42 per limited partnership unit which would be available for distribution to the Limited Partners subsequent to closing of the sale transaction.

Subsequent to this quarter-end, Gateway sold its Project Partnership investment in Southwood, Bryan Senior, Brubaker Square, and Villa Allegra. Gateway expects to receive and distribute to BAC holders approximately \$301,612 or \$55.28 per BAC unit in net proceeds from these sales transactions in the subsequent quarter.

Series 4

Originally there were 29 properties in this Series and none have been sold as of December 31, 2006. The following summarizes the status of the sale or disposition of those properties held by this Series as of December 31, 2006.

Project Partnerships currently listed for sale on a commercial real estate for sale website:

Timpson Senior

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

Jasper Villas

Should this option be exercised, the net sales proceeds to Gateway from the sale transaction is estimated to be \$96,500, or \$13.95 per limited partnership unit potentially available for distribution to the Limited Partners over the next 24 months. This option to purchase could expire without being exercised which would result in no sales proceeds and remarketing of the Project Partnership, the result of which is undeterminable.

Gateway has approved the sale to the general partner of the Project Partnerships:

Owingsville Senior

Edmonton Senior

The estimated net proceeds from the sales of these Project Partnerships to Gateway are estimated to be \$77,500, or \$11.20 per limited partnership unit which would be available for distribution to the Limited Partners subsequent to closing of these sales transactions.

NOTE 6 - SALE OF PROJECT PARTNERSHIPS (Continued):

Other Project Partnerships Dispositions:

Chestnut Apartments

Subsequent to the quarter ended December 31, 2006, Gateway and the general partner of Chestnut Apartments have agreed for the lender to commence foreclosure proceedings. The 15-year compliance period on this property expired on December 31, 2006 and the general partner is no longer obligated to fund the property's cash operating losses. Gateway anticipates the change in ownership to become effective as of January 1, 2007 and Gateway anticipates no proceeds to be received upon disposition.

Subsequent to this quarter-end, Gateway sold its Project Partnership investments in Alsace and Smithfield. Gateway expects to receive and distribute to BAC holders approximately \$57,000 or \$8.24 per BAC unit in net proceeds from these sales transactions in the subsequent quarter.

Series 5

Originally there were 36 properties in this Series and one has been sold as of December 31, 2006. The following summarizes the status of the sale or disposition of those properties held by this Series as of December 31, 2006.

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

Zapata Housing

Should this option be exercised, the estimated net sales proceeds to Gateway from the sales transaction is estimated to be \$61,500, or \$7.13 per BAC unit potentially available for distribution to the Limited Partners over the next 24 months. This option to purchase could expire without being exercised which would result in no sales proceeds and remarketing of the Project Partnership, the results of which are undeterminable.

Series 6

Originally there were 38 properties in this Series and 1 has been sold as of December 31, 2006.

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

Results of Operations, Liquidity and Capital Resources

Operations commenced on September 14, 1990, with the first admission of Assignees in Series 2. The proceeds from Assignees' capital contributions available for investment were used to acquire interests in Project Partnerships.

As disclosed on the statement of operations for each Series, interest income is comparable for the nine months ended December 31, 2006 and December 31, 2005. The General and Administrative expenses - General Partner and General and Administrative expenses - Other for the nine months ended December 31, 2006, as compared to the nine months ended December 31, 2005, have increased due to higher administrative costs arising from the process of evaluating potential dispositions of Project Partnerships, and also due to higher third party accounting and auditing fees.

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

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

The sources of funds to pay the operating costs of each Series are cash and cash equivalents, short-term investments and interest earned thereon, the maturity of U.S. Treasury Security Strips ("Zero Coupon Treasuries") and U.S. Treasury Notes (purchased in July 2006), which were purchased with funds set aside for this purpose and cash distributed to the Series from the operations of the Project Partnerships.

From inception of Gateway to-date, three Series have paid distributions upon sale of Project Partnerships. A distribution of \$157,126 related to the sale of Highland View, LP, in Series 5 was made during the quarter ended September 30, 2005, a distribution of \$224,074 related to the sale of Mountain Crest, LP, in Series 6 was made during the quarter ended December 31, 2005, and a distribution of \$99,600 related to the sale of Birchwood Apartments, LP, in Series 3 was made during the quarter ended December 31, 2006. Future distributions may be made for any particular Series as a result of the sale of other Project Partnerships.

Subsequent to this quarter-end, Gateway sold its Project Partnership investment in six properties. Gateway sold four properties from Series 3 and two properties from Series 4. Refer to Note 6 - Sale of Project Partnerships for further discussion of these sales.

Series 2 - Gateway closed this series on September 14, 1990 after receiving \$6,136,000 from 375 Assignees. Equity in Losses of Project Partnerships for the nine months ended December 31, 2006 decreased from \$17,055 for the nine months ended December 31, 2005 to \$0 as a result of the suspension of losses in this Series so that the Investment in Project Partnerships does not fall below zero. (These Project Partnerships reported depreciation and amortization of \$652,283 and \$656,607 for the nine months ended September 30, 2005 and 2006, respectively.) As a result, management expects that this Series, as well as those described below, will report its equity in Project Partnerships as a loss for tax and financial reporting purposes. Overall, management believes the Project Partnerships are operating as expected and have generated tax credits which met projections.

At December 31, 2006, the Series had \$133,231 of short-term investments (Cash and Cash Equivalents). It also had \$128,210 in U.S. Treasury Notes with a maturity value of \$127,000 at June 30, 2007. Management believes the sources of funds are sufficient to meet current and ongoing operating costs for the foreseeable future, and to pay part of the Asset Management Fee.

As disclosed on the statement of cash flows, the Series had a net loss of \$96,283 for the nine months ended December 31, 2006. However, after adjusting for the changes in operating assets and liabilities, net cash used in operating activities was \$63,790. Cash used in investing activities totaled \$53,508, consisting of cash distributions from the Project Partnerships and proceeds from the redemption of securities, offset by the purchase of U.S. Treasury Notes in July 2006.

Series 3 - Gateway closed this series on December 13, 1990 after receiving \$5,456,000 from 398 Assignees. Equity in Losses of Project Partnerships for the nine months ended December 31, 2006 and 2005 was \$0 as a result of the suspension of losses in this Series so that the Investment in Project Partnerships does not fall below zero. (These Project Partnerships reported depreciation and amortization of \$724,390 and \$718,768 for the nine months ended September 30, 2005 and 2006, respectively.) Overall, management believes the Project Partnerships are operating as expected and have generated tax credits which met projections.

At December 31, 2006, the Series had \$114,569 of short-term investments (Cash and Cash Equivalents). It also had \$128,210 in U.S. Treasury Notes with a maturity value of \$127,000 at June 30, 2007. Management believes the sources of funds are sufficient to meet 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):

As disclosed on the statement of cash flows, the Series had net income of \$9,225 for the nine months ended December 31, 2006. However, after adjusting for the changes in operating assets and liabilities and the gain on sale of partnership assets, net cash used in operating activities was \$66,865. Cash provided by investing activities totaled \$45,589, consisting of proceeds from the sale of Project Partnerships, cash distributions from the Project Partnerships, and proceeds from the redemption of securities, offset by the purchase of U.S. Treasury Notes in July 2006.

In November 2006, Gateway sold its Project Partnership investment in Birchwood Apartments. Gateway has received approximately \$99,600 in net proceeds and has estimated a net gain of \$99,410 on the sale of this property which is included in Gain on Sale of Partnership Assets on the Combined Statement of Operations. This estimate will change as final financial information regarding the Project Partnership becomes available in fiscal year 2007. Of the \$99,600 received in sales proceeds from this sale, \$99,572 was distributed to the Limited Partners during the quarter ended December 31, 2006 and the \$28 not distributed is reflected as a Distribution Payable on the Balance Sheet.

Subsequent to this quarter-end, Gateway sold its Project Partnership investment in Southwood Apartments, Plaza Senior Village Apartments, Brubaker Square Apartments and Villa Allegra Apartments. Gateway expects to receive and distribute to BAC holders approximately \$301,612 in net proceeds from these sale transactions in the subsequent quarter.

Series 4 - Gateway closed this series on May 31, 1991 after receiving \$6,915,000 from 465 Assignees. Equity in Losses of Project Partnerships for the nine months ended December 31, 2006 and 2005 was \$0 as a result of the suspension of all losses in this Series so that the Investment in Project Partnerships does not fall below zero. (These Project Partnerships reported depreciation and amortization of \$774,896 and \$783,141 for the nine months ended September 30, 2005 and 2006, respectively.) Overall, management believes the Project Partnerships are operating as expected and have generated tax credits which met projections.

At December 31, 2006, the Series had \$152,628 of short-term investments (Cash and Cash Equivalents). It also had \$179,695 in U.S. Treasury Notes with a maturity value of \$178,000 at June 30, 2007. Management believes the sources of funds are sufficient to meet current and ongoing operating costs for the foreseeable future, and to pay part of the Asset Management Fee.

As disclosed on the statement of cash flows, the Series had a net loss of \$111,748 for the nine months ended December 31, 2006. However, after adjusting for the changes in operating assets and liabilities, net cash used in operating activities was \$82,164. Cash used in investing activities totaled \$87,412, consisting of cash distributions from the Project Partnership and proceeds from the redemption of securities, offset by the purchase of U.S. Treasury Notes in July 2006.

Subsequent to this quarter-end, Gateway sold its Project Partnership investment in Alsace Village Apartments and Greenbriar Apartments. Gateway received and will distribute to BAC holders approximately \$61,000 in net proceeds from these sale transactions in the subsequent quarter.

Series 5 - Gateway closed this series on October 11, 1991 after receiving \$8,616,000 from 535 Assignees. Equity in Income of Project Partnerships for the nine months ended December 31, 2006 increased from a loss of \$3,636 for the nine months ended December 31, 2005 to income of \$3,964. (These Project Partnerships reported depreciation and amortization of \$918,889 and \$902,646 for the nine months ended September 30, 2005 and 2006, respectively.) Overall, management believes the Project Partnerships are operating as expected and have generated tax credits which met projections.

At December 31, 2006, the Series had \$191,832 of short-term investments (Cash and Cash Equivalents). It also had \$101,963 in U.S. Treasury Notes with a maturity value of \$101,000 at June 30, 2007. Management believes the sources of funds are sufficient to meet 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):

As disclosed on the statement of cash flows, the Series had a net loss of \$138,022 for the nine months ended December 31, 2006. However, after adjusting for Equity in Income of Project Partnerships of \$3,964 and the changes in operating assets and liabilities, net cash used in operating activities was \$89,045. Cash provided by investing activities totaled \$18,438, consisting of cash distributions from the Project Partnerships and proceeds from the redemption of securities, offset by the purchase of U.S. Treasury Notes in July 2006.

Series 6 - Gateway closed this series on March 11, 1992 after receiving \$10,105,000 from 625 Assignees. Equity in Income of Project Partnerships for the nine months ended December 31, 2006 increased from a loss of \$12,270 for the nine months ended December 31, 2005 to income of \$12,561 due to a decrease in total expenses of the Project Partnership. (These Project Partnerships reported depreciation and amortization of \$1,034,242 and \$969,913 for the nine months ended September 30, 2005 and 2006, respectively.) Overall, management believes the Project Partnerships are operating as expected and are generating tax credits which meet projections.

At December 31, 2006, the Series had \$122,455 of short-term investments (Cash and Cash Equivalents). It also had \$82,847 in Zero Coupon Treasuries with maturities providing \$83,000 in fiscal year 2007. In addition, the series had \$281,656 in U.S. Treasury Notes with a maturity value of \$279,000 at June 30, 2007. Management believes the sources of funds are sufficient to meet current and ongoing operating costs for the foreseeable future, and to pay part of the Asset Management Fee.

As disclosed on the statement of cash flows, the Series had a net loss of \$147,295 for the nine months ended December 31, 2006. However, after adjusting for Equity in Income of Project Partnerships of \$12,561 and the changes in operating assets and liabilities, net cash used in operating activities was \$93,851. Cash used in investing activities totaled \$247,274, consisting of cash distributions from the Project Partnerships, offset by the purchase of U.S. Treasury Notes in July 2006.

Exit Strategy

The IRS compliance period for low-income housing tax credit properties is generally 15 years from occupancy following construction or rehabilitation completion. Many of the Project Partnerships have reached the end of their tax-credit compliance period and those Project Partnerships that have yet to reach the end of their tax-credit compliance period will do so within the next few years. To-date, three of the Project Partnerships have been sold and, in accordance with the Gateway partnership agreement, the net proceeds received from these sales have been disbursed to the Limited Partners of those series of Gateway.

Gateway is presently evaluating the potential disposition of each of the Project Partnerships which have reached the end of their tax-credit compliance period and will endeavor to sell Gateway's interest in those Project Partnerships. The Partnerships objective is to sell Gateways interest in such properties for fair market value and ultimately, to liquidate the Project Partnerships that no longer provide tax benefits to investors. Refer to Note 6 - Sale of Project Partnerships for discussion of the process.

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

Item 3. Quantitative and Qualitative Disclosure About Market Risk:

As a small business issuer, no information is required.

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

Item 4. Controls and Procedures:

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

PART II - Other Information

Item 1. Legal Proceedings:

None.

Item 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, this report has been signed by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

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

Date: February 14, 2007

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

Date: February 14, 2007

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

Date: February 14, 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, II, 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: February 14, 2007

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



**EXHIBIT 31.2**

**CERTIFICATIONS\***

I, Jonathan Oorlog, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Gateway Tax Credit Fund, II, 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: February 14, 2007

By: /s/ Jonathan Oorlog  
Jonathan Oorlog  
Vice President and Chief Financial Officer  
Raymond James Tax Credit Funds, Inc.  
(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 II, Ltd.; (the "Partnership") on Form 10-Q for the period ended December 31, 2006 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.  
(Managing General Partner)  
February 14, 2007

/s/ Jonathan Oorlog  
Jonathan Oorlog  
Vice President and Chief Financial Officer  
Raymond James Tax Credit Funds, Inc.  
(Managing General Partner)  
February 14, 2007