

NLHA Bulletin

JANUARY 2012

Permanent LIHTC Floor Legislation Introduced

BIPARTISAN LAWMAKERS in the House and Senate on December 14 introduced tax legislation to set a minimum Low Income Housing Tax Credit (LIHTC) credit rate of 9 percent for new construction and substantial rehabilitation projects, and 4 percent for acquisition projects.

The Senate bill, S. 1989, was introduced by Senators Maria Cantwell, D-WA and Olympia Snowe, R-ME; and cosponsored by Senators Jeff Bingaman, D-NM.; John Kerry, D-MA; Bill Nelson, D-FL.; Robert Menendez, D-NJ; Ben Cardin, D-MD; Bernie Sanders, I-VT; Mike Crapo, R-ID; Scott Brown, R-MA; and Susan Collins, R-ME. The bill was referred to the Senate Finance Committee, on which all of the sponsors, except Scott Brown and Susan Collins serve. This is usually a good indication that the bill has “legs” and will be taken up by the committee during 2012.

The House bill, H.R. 3661, was introduced by Representative Patrick Tiberi, R-OH and cosponsored by Representatives Richard Neal, D-MA.; Vern Buchanan, R-FL.; Jim Gerlach, R-PA.; Lee Terry, R-NE.; Charles Rangel, D-NY.; Bill Pascrell, Jr., D-NJ.; Joseph Crowley, D-NY; and Emanuel Cleaver, D-MO. The house bill was referred to the tax committee in the House, the Ways and Means Committee, on which all but Rep. Terry and Cleaver serve.

The legislation, known as the A.C.T.I.O.N. legislation, had been proposed by a coalition of affordable housing groups of which NLHA is a member. Enactment of the bill would provide stability and certainty for the Housing Credit industry, helping to secure the private investment equity needed to make affordable rental housing developments financially feasible.

Grassroots Encouraged

NLHA encourages its’ members to contact their Senators, not named above as cosponsors, and urge them to cosponsor S. 1989. NLHA members should also call or e-mail their Representatives, who are not already cosponsors, to cosponsor HR 3661. The telephone number to reach any Senator or House member in Washington is 202-224-3121. You can e-mail your Members of Congress through their websites.

The formal title of the bill in both houses is “To amend the Internal Revenue Code of 1986 to make permanent the minimum low-income housing tax credit rate for unsubsidized buildings and to provide a minimum 4 percent credit rate for existing buildings”. You should use the term “Low Income Housing

Tax Credit” and cite the bill number when calling or e-mailing your Members of Congress so that your view is directed to the appropriate tax staff.

NLHA members can develop “talking points” for their own e-mail or phone call from a September 2011 National Consensus letter on the Low Income Housing Tax Credit which is posted to the members section of the NLHA website under “Legislation / Advocacy”. Scroll to “Tax Credits” and then “LIHTC Permanent Floor – National Consensus Letter”. <http://www.hudnlha.com/>