

## **Ask Representatives to Support the LIHTC and Housing Bonds in Tax Reform**

Here's a model letter you can adapt and send to your representative urging his or her support for the LIHTC and housing bonds during the mark-up of the Tax Cuts and Jobs Act.

Dear Representative *[insert name]*:

On behalf of *[insert organization]*, I want to bring your attention to the devastating impact that the "Tax Cuts and Jobs Act," H.R. 1, would have on affordable housing.

While the bill retains the Low-Income Housing Tax Credit (LIHTC), it would slash production under the program by eliminating the tax exemption on private activity multifamily Housing Bonds. The multifamily Housing Bond program is an integral part of the Housing Credit program because the use of tax-exempt multifamily Housing Bonds triggers the so-called 4 percent Credit. Without the bonds, there would be no 4 percent Credit program. According to recent estimates, the elimination of multifamily bonds would lead to a loss of between 788,000 to 881,000 units over the next 10 years nationwide. This is more than half the anticipated production of the program.

The bill would also significantly impact affordable housing production under the Housing Credit because it does not make any adjustments to the program to insulate it from the reduction in the corporate rate, which would impact the price investors are willing to pay for LIHTCs. The lower corporate rate would reduce production by an additional 85,600 to 93,900 units over the next 10 years nationwide.

Taken together, these changes would reduce the future supply of affordable rental housing by nearly one million units over the next 10 years. And the impact in *[insert state]* would be disastrous.

As the Ways and Means Committee begins its mark-up, we ask that you contact Ways and Means Chairman Kevin Brady and urge him to:

- Preserve the tax exemption on private activity bonds; and
- Make adjustments to offset the impact of a lower corporate rate on Housing Credit investment.

Your efforts will help ensure that *[insert district]* continues to receive the valuable investment that the LIHTC provides. Please do not hesitate to reach out with questions.

Sincerely,  
*[Insert signature & title]*