AFFORDABLE RENTAL HOUSING A.C.T.I.O.N.
A Call To Invest in Our Neighborhoods

The ACTION Campaign Calls on Congress to Protect, Strengthen and Expand the Low-Income Housing Tax Credit

The Housing Credit is our nation's most successful tool for encouraging private investment in the production and preservation of affordable rental housing.

- The Housing Credit is responsible for nearly all of the affordable housing built and preserved since the program was authorized in the Tax Reform Act of 1986.
- The Housing Credit has financed over 3 million apartments since 1986, which have provided roughly 7 million low-income families, seniors, veterans, and people with disabilities homes they can afford. It has provided affordable housing to all 50 states and all types of communities, including urban, suburban, and rural.

Our nation's affordable housing needs are vast and growing.

- More than 11 million low-income households – roughly one in four renters – spend over half their income on rent, leaving too little for other necessary expenses like transportation, healthy food and medical bills. We are not producing new affordable housing fast enough to keep pace with the rising demand.
- Affordable housing promotes better health outcomes, improves children's school performance, and helps people gain employment and keep their jobs.

The Housing Credit has far-reaching economic benefits for local communities.

- The Housing Credit has generated $323 billion in local income and $127 billion in tax revenues, and has supported approximately 3.4 million jobs over the past thirty years, according to the National Association of Home Builders.
- Each year, Housing Credit development supports nearly 100,000 jobs and adds roughly $3.5 billion in taxes and other revenues to local economies.
- Affordable housing also saves federal, state, and local governments' money through reductions in Medicare, Medicaid, police service, and other spending.

The Housing Credit is a model public-private partnership.

- The Housing Credit is "pay-for-success" – the federal government awards credits only after properties are successfully completed and occupied, and can recapture credits for non-compliance.
- Private sector investors – not taxpayers – bear the financial risk, and are closely involved in monitoring and oversight.
- Unlike many other tax expenditures, which subsidize activity that would occur at some level without a tax benefit, virtually no affordable rental housing development would occur without the Housing Credit. To develop new apartments that are affordable without an incentive like the Housing Credit, construction costs would have to be reduced by 72 percent of the current construction cost average, according to Harvard University's Joint Center for Housing Studies.
- The Housing Credit is administered at the state level, and only the affordable housing developments that are most responsive to local housing priorities receive credits.

An investment in the Housing Credit is an investment in our nation's infrastructure.

- Housing is as central to our nation's infrastructure as transportation, energy, and water systems, and its development transforms communities while providing significant returns in terms of jobs and economic growth.
- The National Association of Homebuilders estimates that about half of all jobs created from new housing development are in construction.
- Investment in the Housing Credit should be a component of any infrastructure plan.

We urge Congress to support the Housing Credit and Housing Bonds in tax reform.

- We urge Congress to protect the Housing Credit in tax reform, and make any adjustments necessary to sure that its production and efficiency are not compromised.
- Multifamily Housing Bonds provide critical financing to roughly 40 percent of Housing Credit developments, and their tax exemption must be retained in order to sustain the Housing Credit's production potential.