The Low-Income Housing Tax Credit (Housing Credit) is our nation’s most successful tool for encouraging private investment in the production and preservation of affordable rental housing. Since its inception in 1986, the Housing Credit has been used to develop and preserve more than 3 million homes nationwide. Today, there are more than 800,000 Housing Credit-developed homes with a head of household 62 or older.

More than half of states prioritize and incentivize housing for seniors in their allocation of Housing Credits. Through specific set-asides or additional points awarded, projects are also encouraged to include elderly services, such as universal design elements and access to health facilities.

THE NEED FOR AFFORDABLE ELDERLY HOUSING

According to the Census Bureau, approximately 78 million Americans will be 65 years of age or older by 2035, representing 20 percent of the overall population. This unprecedented growth in the senior population will strain the existing supply of affordable housing, with the number of “cost-burdened” seniors who rent, those who spend more than half of their incomes on housing, projected to rise to more than 4 million by 2025. Given little wealth or savings to sustain them in retirement, low-income renters face the most acute housing difficulties as they age, and they are often forced to spend less on other necessities such as health care, food, and supportive services. The Housing Credit is a vital tool for addressing the current and forthcoming lack of housing affordability for senior communities.