



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

April 2021

The undersigned businesses and organizations, representing over 2,400 national, state, and local affordable housing stakeholders as part of the A Call To Invest in Our Neighborhoods (ACTION) Campaign, urge Congress to strengthen the Low-Income Housing Tax Credit (Housing Credit) – our nation’s primary affordable housing financing tool – by supporting the bipartisan *Affordable Housing Credit Improvement Act* (AHCIA).

Safe, decent, and affordable housing is a vital part of our nation’s infrastructure, and the Housing Credit is our nation’s most successful tool for encouraging private investment in affordable rental housing. This legislation, introduced by Senators Maria Cantwell (D-WA), Todd Young (R-IN), Ron Wyden (D-OR), and Rob Portman (R-OH) and Representatives Suzan DelBene (D-WA-01), Jackie Walorski (R-IN-02), Don Beyer (D-VA-08), and Brad Wenstrup (R-OH-02), would strengthen and expand the Housing Credit, allowing us to tackle the considerable affordable housing infrastructure challenges our nation currently faces.

The AHCIA builds upon the proven success of the Housing Credit by increasing resources so that we can address the growing and urgent need for safe and decent affordable housing. It would expand each state’s Housing Credit allocation (the “9 percent credit”) by 50 percent and increase the availability of the “4 percent credit” by lowering the Private Activity Bond financing threshold from 50 to 25 percent. The AHCIA also includes “basis boosts” to help make possible more developments serving hard-to-reach areas such as rural and tribal communities. Together, these increased resources are estimated to finance 2 million more affordable rental homes over 10 years than would otherwise have been possible – creating nearly 3 million jobs over the same period.

The AHCIA also includes over two dozen other provisions, including provisions to make serving extremely low-income and homeless families more financially feasible, that would help preserve existing affordable housing, provide state Housing Credit allocating agencies new tools to strengthen program administration, and more.

Since its creation in the Tax Reform Act of 1986, the Housing Credit has been the primary financing source for the production and preservation of affordable rental housing. It has financed nearly 3.5 million apartments since 1986, providing affordable homes to approximately 8 million low-income households, including families, seniors, veterans, and people with disabilities. The Housing Credit is a model public-private partnership, bringing to bear private sector resources, market forces, and state-level administration.

**The ACTION Campaign urges all members of Congress to join as co-sponsors of this critical, bipartisan legislation and for Congress to include it in any tax legislation it considers this year.**

For questions about this letter or the ACTION Campaign, please email Krista D’Alessandro at [kdalessandro@enterprisecommunity.org](mailto:kdalessandro@enterprisecommunity.org)