



## Support the Housing Credit Provisions in the Tax Relief for American Families and Workers Act (H.R. 7024)

The Tax Relief for American Families and Workers Act (H.R. 7024) includes two provisions expanding the reach of the Low-Income Housing Tax Credit (Housing Credit), making possible the production of over 200,000 affordable rental homes. These affordable housing provisions are:

- Restoration of the 12.5 percent increase in Housing Credit authority the program suffered after a temporary four-year increase (2018 – 2021) expired, as Congress has not enacted tax legislation in the last several years. H.R. 7024 would boost 9 percent Housing Credit authority by 12.5 percent for calendar years 2023, 2024, and 2025.
- Establishing a lower tax-exempt bond financing requirement for developments financed with the 4 percent Housing Credit, so long as the multifamily Housing Bonds triggering those credits have an issue date prior to 2026. The bill would lower the bond financing test from its 50 percent level under current law to 30 percent. This would allow states to make more efficient use of their existing Private Activity Bond authority and streamline program financing, reducing soft costs associated with affordable housing production.

### What is the impact of H.R. 7024's housing provisions?

Together, Novogradac estimates a total of an **additional 202,573 new and preserved affordable rental homes** would be financed, supporting **304,190 jobs**, generating **\$34.3 billion in wages and business income**, as well as **\$11.9 billion in federal, state, and local tax revenue**.

### How much support did this legislation achieve in the House of Representatives?

On January 31, the House of Representatives passed H.R. 7024 by a **wide bipartisan margin—357 to 70**. Large majorities of both Republicans and Democrats voted in favor of the bill. Prior to the floor vote, the House Ways and Means Committee passed the legislation out of Committee on a 40 to 3 vote.

### Who supports the Housing Provisions in H.R. 7024?

A coalition of **120 leading national and statewide affordable housing and community development organizations** sent a letter to Leader Schumer and Leader McConnell upon passage of the legislation in the House in support of the bill's affordable housing provisions. Governors have weighed in with their support for the bill through the **National Governors Association**.

Moreover, the affordable housing provisions are inspired by standalone tax legislation—the **Affordable Housing Credit Improvement Act** (S. 1557 / H.R. 3238), sponsored by Senators Maria Cantwell (D-WA), Todd Young (R-IN), Ron Wyden (D-OR), and Marsha Blackburn (R-TN) in the Senate and Representatives Darin LaHood (R-IL), Suzan DelBene (D-WA), Brad Wenstrup (R-OH), Don Beyer (D-VA), Claudia Tenney (R-NY), and Jimmy Panetta (D-CA) in the House. This legislation is cosponsored by **over half of the House and one-third of the Senate**. What's more, that support is evenly divided between Republicans and Democrats in both chambers.